



# **JMT AUTO LTD.**

An Amtek Group Company

**JMT/CS/060/2020-21**

**Date: 07.09.2020**

To, The Compliance Officer, National Stock Exchange of India Ltd. Exchange Plaza Bandra Kurla Complex, Bandra Mumbai-400 051 <b>Scrip Code: JMTAUTOLD</b>	To, The Compliance Officer Bombay Stock Exchange Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001 <b>Scrip Code - 516391</b>
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Dear Sir,

**Sub: Annual Report for the Financial Year 2019-20 as per Regulation 34 of SEBI (LODR) Regulations, 2015**

Pursuant to Regulation 34 of the SEBI (LODR) Regulations, 2015 we hereby submit the Annual Report for the Financial Year 2019-20, which has been sent to the Shareholders w.r.t the 33<sup>rd</sup> Annual General Meeting ('AGM') of the Company scheduled to be held on Tuesday, 29<sup>th</sup> September, 2020 at 11.00 a.m. through VC/OVAM due to COVID-19 Pandemic.

Please acknowledge receipt of the same.

Thanking You  
For **JMT AUTO LIMITED**

  
.....  
(Mona K Bahadur)  
Company Secretary

Encl: As above

**CIN : L42274DL1997PLC270939**

**Corporate Office & Works :**

C-19-20, 7th Phase, Industrial Area,  
Adityapur, Jamshedpur-832 109, Jharkhand, India  
Phone : +91-657-6626379 / 6626333  
Fax : +91-657-2200749, E-mail : jmt.auto@amtek.com  
Website : www.jmtauto.com

**Registered Office :**

3 LSC, Pamposh Enclave  
Guru Nanak Market  
Opp. LSC Market  
New Delhi - 110048  
Phone : +91 9234602083



**JMT AUTO LIMITED**  
AN AMTEK GROUP COMPANY

**33rd ANNUAL REPORT**  
**2019 - 2020**

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## **IMPORTANT COMMUNICATION TO MEMBERS**

In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The e-voting period commences on Saturday, September 26, 2020 (9:00 a.m. IST) and will end on Monday, September 28, 2020 (5:00 p.m. IST).

Visit us at: [www.jmtauto.com](http://www.jmtauto.com)

email Id: [jmt.auto@jmtauto.com](mailto:jmt.auto@jmtauto.com)

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

CEO & Whole Time Director

**Mr. Sanjay Tiku**

Director

**Mr. John Ernest Flintham**

Director

**Mr. Gautam Malhotra**

Director

**Mr. Aditya Malhotra**

Independent Director

**Ms. Kanika Kapur**

Independent Director

**Mr. Vivek Malik**

Company Secretary  
& Compliance Officer

**Ms. Mona K Bahadur**

Chief Financial Officer

**Mr. Sandeep Singh Surya**

Statutory Auditors

**M/s Raj Gupta & Company,  
Chartered Accountants  
New Delhi**

Bankers

**Axis Bank Bank of India  
IDBI Bank Limited  
State Bank of India  
Bank of India**

Registrar & Share Transfer

**M/s C B Management Services (P) Ltd  
P- 22, Bondel Road, Kolkata- 700 019**

Registered Office

**3, LSC, Pamposh Enclave,  
Guru Nanak Market, Opp. LSC Market  
New Delhi – 110 048**

Corporate & Administrative Office

**C-19 & 20, NS – 29-34, D-8-12  
7th Phase, Industrial Area, Adityapur,  
Jamshedpur – 832 109**

Corporate Identification Number (CIN)

**L42274DL1997PLC270939**



## FINANCIAL HIGHLIGHTS

(Rupees in Lakhs)

DESCRIPTION	2019-20	2018-19	2017-18	2016-17	2015-16
SALES & JOB WORK	17578.98	36005.10	34724.02	31416.34	33594.31
DEPRECIATION	2137.78	2586.86	2858.19	2932.86	2758.23
FINANCE COST	1940.38	1628.13	1900.77	2139.25	1922.89
EBIDTA	(793.78)	4105.19	4931.77	5648.52	5423.89
PBT	(4871.94)	(109.80)	172.81	576.41	742.77
PAT	(4534.85)	(247.20)	79.31	420.69	485.65
DIVIDEND	—	—	—	—	—
DIVIDEND PAYOUT	—	—	—	—	—

\*Standalone figures

(Rupees in Lakhs)

DESCRIPTION	As on 31.03.2020	As on 31.03.2019	As on 31.03.2018	As on 31.03.2017	As on 31.03.2016
Net Fixed Asset	11259.50	12157.51	13319.36	15510.58	17453.43
Share Capital	5038.32	5038.32	5038.32	5038.32	5038.32
Reserves & Surplus	7157.84	11692.69	12003.35	11923.67	11537.97
Net worth	12196.16	16731.01	17041.67	16961.99	16576.29
Borrowings	12523.61	13447.23	15629.42	16725.06	16923.68

## KEY INDICATORS

DESCRIPTION	As on 31.03.2020	As on 31.03.2019	As on 31.03.2018	As on 31.03.2017	As on 31.03.2016
EPS	(0.90)	(0.06)	0.02	0.08*	0.19*
Book Value per Share	2.42	3.32	3.38	3.37*	6.58*
Debt: Equity ratio	1.03: 1	0.80:1	0.92:1	0.98:1	1.02:1
Net Profit Margin %	(25.80)	(0.69)	0.23	1.34	1.45

## NOTICE

Notice is hereby given that the **33rd Annual General Meeting** of JMT AUTO LIMITED will be held pursuant to the permission granted by SEBI and MCA, in view of the outbreak of the COVID-19, **through VC/OVAM on Tuesday, the 29<sup>th</sup> day of September, 2020 at 11.00 A.M.** to transact the following business: -

### **ORDINARY BUSINESS**

#### **Item No.1- Adoption of Financial Statements**

To receive, consider and adopt :-

- (a) the audited standalone financial statement of the Company for the financial year ended March 31, 2020, the reports of the Board of Directors and Auditors thereon; and
- (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2020, and the reports of the Auditors thereon;

#### **Item No. 2 – Appointment of Sanjay Tikku as a Director liable to retire by rotation**

To appoint a Director in place of **Mr. Sanjay Tikku (DIN-00300566)**, who retires by rotation and being eligible seeks re-appointment as Director.

**“RESOLVED THAT**, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, **Sanjay Tikku (DIN-00300566)**, who retires by rotation, be and is hereby re-appointed as a Director liable to retire by rotation.”

#### **Item No. 3 – Appointment of Aditya Malhotra as a Director liable to retire by rotation.**

To appoint a Director in place of **Mr. Aditya Malhotra (DIN-02191303)**, who retires by rotation and being eligible seeks re-appointment as Director.

**“RESOLVED THAT**, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, **Aditya Malhotra (DIN-02191303)**, who retires by rotation, be and is hereby re-appointed as a Director liable to retire by rotation.”

#### **Item No. 4 – To appoint Statutory Auditors and to fix their remuneration:**

To consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to Sections 139, 142 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. Chaturvedi & Co., Chartered Accountants (Registration No. 302137E), be and is hereby appointed as the Statutory Auditors of the Company commencing from



the conclusion of this Annual General Meeting till the conclusion of the 38th Annual General Meeting at such remuneration as may be mutually agreed upon by the Board of Directors and the Auditors, in addition to the reimbursement of service tax and actual out-of-pocket expenses incurred in connection with the audit of accounts of the Company."

## **SPECIAL BUSINESS**

### **Item No. 5 – Appointment of Kanika Kapur as Independent Director**

To consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the appointment of **Kanika Kapur (DIN: 07154667)**, as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years from the date of current Annual General Meeting till the conclusion of 38<sup>th</sup> Annual General Meeting, be and is hereby approved."

### **Item No. 6 – Appointment of Vivek Malik as Independent Director**

To consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the appointment of **Vivek Malik (DIN: 08316440)**, as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years from the date of current Annual General Meeting till the conclusion of 38<sup>th</sup> Annual General Meeting, be and is hereby approved."

### **Item No. 7 – Ratification of Remuneration of the Cost Auditors**

To ratify the remuneration of Cost Auditors and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

**"RESOLVED THAT** pursuant to section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the Company hereby ratifies the remuneration of Rs. 40,000/- (Rupees Forty Thousand only) plus out-of-pocket expenses payable to M/s Yash Sardana & Associates, Cost Accountants & Management Consultants (Membership No – 17996), Cost Auditor of the Company who is appointed by Board of Directors of the Company to conduct cost audit of all business of the Company for the financial year 2020-21."



**Item No. 8 – Related Party Transactions of the Company**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the applicable provisions of Section 188 and any other provisions of the Companies Act, 2013 and Rules framed thereunder (including statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other statutory approvals as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors for entering into transaction/s of purchase/sale of goods / services, transfer, assign or otherwise etc., whether material or otherwise, during the financial year 2020-21 commencing from April 1, 2020, of the Company with Amtek Auto Limited (which is under Corporate Insolvency Resolution Process), Holding Company, or any of the Subsidiaries, Joint Ventures, Associates or group Companies falling under Related Party, up to an estimated maximum annual value of Rs. 250 Crores (Rupees two Hundred and Fifty Crores only).

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to negotiate and finalise other terms and conditions and to do all such acts, deeds and things including delegation of powers as maybe necessary, proper or expedient to give effect to this Resolution.”

**NOTES:**

1. The Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special business under Item Nos. 5, 6, 7, 8 above, is annexed hereto. The relevant details of Directors seeking appointment/ re-appointment under Item Nos. 2 & 3 as required Regulation 36(3) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 'SEBI Listing Regulations' are also annexed.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio- Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being proposed to be held pursuant to the said MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not attached to this Notice.



4. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name and e-mail address, etc., to their Depository Participant only and not to the Company's Registrars and Transfer Agents, M/s. C B Management Services (P) Ltd. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and M/s. C B Management Services (P) Ltd. to provide efficient and better services.
5. In case you are holding Company's shares in physical form, please inform Company's RTA viz. M/s.C B Management Services Pvt Ltd at P-22, Bondel Road, Kolkata-700019 by enclosing a photocopy of blank cancelled cheque of your bank account.
6. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. M/s. C B Management Services Pvt Ltd are the Registrar & Share Transfer Agents (RTA) of the Company. All communications in respect of share transfers, dematerialization and change in the address of the members may be communicated to the RTA.
7. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA/Company.
8. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.
9. **Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):**

Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended from time to time, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

10. The Members/Claimants whose shares, unclaimed dividend have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF





Authority in Form IEPF 5 which is available on [www.iepf.gov.in](http://www.iepf.gov.in) and on the website of the Company [www.jmtauto.com](http://www.jmtauto.com) along with requisite fee as decided by it from time to time.

It is in Members' interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members' account on time. Members are requested to contact the Company's Registrar and Share Transfer Agent or the Company to claim the unclaimed/unpaid dividends.

Registrar and Share Transfer Agent :

M/s C.B. Management Services Private Limited (RTA), P- 22, Bondel Road, Kolkata-700 019.

It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount. It may also be noted that the unclaimed dividend amount which were lying with the Company upto and in respect of the year ended on 31st March 2012, have already been transferred to IEPF. The details of the unclaimed dividends are available on the Company's website at [www.jmtauto.com](http://www.jmtauto.com) and on the website of Ministry of Corporate Affairs at [www.mca.gov.in](http://www.mca.gov.in).

11. The Register of Members and Share Transfer Books of the Company shall remain closed from **September 23, 2020 to September 29, 2020 (both days inclusive)** for the purpose of compliance with the annual closure of Books as per Companies Act, 2013.
12. As per the provisions of the Companies Act, 2013, facility for making nominations is available to the members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrars and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
13. In accordance with the Companies Act, 2013 read with the Rules and in support of the 'Green Initiative in Corporate Governance' the Annual Reports are sent by electronic mode to those members whose shareholding is in dematerialised format and whose email ids are registered with the Depository for communication purposes. The members holding shares in physical form and who have not registered their email ID are requested to register their email ID addresses with C B Management Services Pvt. Ltd., the Company's Registrars and Share Transfer Agents.
14. Pursuant to Section 103 of Companies Act, 2013 at least 30 Members should be present online to form quorum for meeting of the Company.
15. Pursuant to Section 108 and other applicable rules & provisions issued in that behalf, your Company is offering e-Voting Facility for all shareholders of the Company. as an alternate, to all its members to enable them to cast their votes electronically





instead of casting their vote at the Meeting. Please note that the voting through electronic means is the only option this year, as due to COVID-19 pandemic no physical meeting will be held.

16. The Voting through an electronic means will commence on Saturday, September 26, 2020 (9:00 a.m. IST) and will end on Monday, September 28, 2020 (5:00 p.m. IST). The members will not be able to cast their electronically beyond the date and time as aforesaid mentioned.
17. The members who wish to vote on the day of the Meeting can do the same through e-voting on the day of the Meeting by logging in through CDSL Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

## **E-VOTING**

### **CDSL e-Voting System – For Remote e-voting and e-voting during AGM**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be

counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM is being uploaded on the website of the Company at [www.jmtauto.com](http://www.jmtauto.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also hosted on the website of CDSL (agency for providing the e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com)
7. The AGM is being convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

#### **INTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING:**

- i) The voting period begins on Saturday, September 26, 2020 (9:00 a.m. IST) and will end on Monday, September 28, 2020 (5:00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date September 22, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) The Company has appointed M/s S Khurana & Associates, Practicing Company Secretaries  
(CP No-13212) as scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- iv) Click on "Shareholders" tab.
- v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi) Next enter the Image Verification as displayed and Click on Login.

- vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- viii) If you are a first time user follow the steps given below :

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA
<b>DOB</b>	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
<b>Dividend Bank Details</b>	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

After entering these details appropriately, click on "SUBMIT" tab.

- ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.



- vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- viii) If you are a first time user follow the steps given below :

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA
<b>DOB</b>	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
<b>Dividend Bank Details</b>	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

After entering these details appropriately, click on "SUBMIT" tab.

- ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
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- xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.



4. Please note that participants connecting from mobile devices or Tablets or through Laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance, i.e., from September 20, 2020 (9.00 a.m. IST) to September 24, 2020 (5.00 p.m. IST), mentioning their name, demat account number/folio number, email id, mobile number at [jmt.auto@jmtauto.com](mailto:jmt.auto@jmtauto.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance, i.e., from September 20, 2020 (9.00 a.m. IST) to September 24, 2020 (5.00 p.m. IST), mentioning their name, demat account number/folio number, email id, mobile number at [jmt.auto@jmtauto.com](mailto:jmt.auto@jmtauto.com). These queries will be replied suitably by the Company vide email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time during the AGM.

#### **INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM:**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
3. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

#### **NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS:**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.



- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, non-individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz: [jmt.auto@jmtauto.com](mailto:jmt.auto@jmtauto.com) if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.
- All grievances connected with the facility for voting by electronic means may be addressed to CDSL via email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

#### **GENERAL INSTRUCTIONS:**

- i. The voting rights of Members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on September 22, 2020.
- ii. The Scrutinizer, after scrutinising the votes cast at the meeting through remote e-voting and during AGM will, not later than 48 hours from the conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.cclproducts.com](http://www.cclproducts.com) and on the website of CDSL [www.cdslindia.com](http://www.cdslindia.com). The results shall simultaneously be communicated to the Stock Exchanges.
- iii. The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.

**By Order of the Board of Directors**

**For JMT AUTO LIMITED**

Sd/-

**Mona K Bahadur**

**Company Secretary & Compliance Officer**

**Place : New Delhi**

**Date: 03.09.2020**



## **Annexure to Notice**

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 of COMPANIES ACT, 2013**

As required by Section 102 of the Companies Act, 2013, (hereinafter referred to as "the Act") the following Explanatory Statements set out all material facts relating to the business mentioned under Item Nos. 5,6,7,8 of the accompanying Notice dated 3rd September 2020.

#### **ITEM NO. 5**

Ms. Rajiv Kapur Kanika Kapur was appointed as Additional Director in the category of Independent Director by the Board on 29<sup>th</sup> November, 2019, to fill the casual vacancy caused by resignation of Ms. Anuradha Kapur. The appointment was made for a period of 5 years, subject to approval of the shareholders at the Annual General Meeting.

Ms. Kapur has requisite qualification and expertise in finance and business management. She has given a declaration to the Board that she meets the criteria of independence as provided under Section 149 (6) of the Act. In the opinion of the Board, Ms. Kapur fulfills the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and she is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Ms. Kapur as Independent Director is now being placed before the Members in general meeting for their approval.

Other than Ms. Kapur, no other Director or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 5 of the Notice.

#### **ITEM NO. 6**

Mr. Vivek Mailk was appointed as Additional Director in the category of Independent Director by the Board on 7<sup>th</sup> August, 2020, to fill the casual vacancy caused by resignation of Mr. Sanjay Chhabra. The appointment was made for a period of 5 years, subject to approval of the shareholders at the Annual General Meeting.

Mr. Vivek Malik is a qualified Chartered Accountant, with MBA degree from AIUM&T, USA. He possess the requisite qualification and expertise in finance and business management. He has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act. In the opinion of the Board, Mr. Malik fulfills the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the

appointment of Mr. Vivek Malik as Independent Director is now being placed before the Members in general meeting for their approval.

Other than Mr. Vivek Malik, no other Director or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 6 of the Notice.

#### **ITEM NO. 7**

As per Section 148 of the Companies Act, 2013, read with Companies (Audit & Auditors) Rules, 2014, and other applicable provisions, if any the remuneration of the Cost Auditor needs to be ratified by the shareholders. Yash Pal Sardana, Cost Accountant & Management Consultant, was appointed as Cost Auditor of the company for the financial year 2019-20 at a remuneration of Rs. 40,000/- plus out of pocket expenses.

A Certificate from M/s. Yash Sardana & Associates, Cost Accountants, has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Companies Act, 2013 and the Rules framed thereunder.

The proposed resolution is necessary to meet statutory obligation relating to appointment of Cost Auditor and is in the interest of the Company. Your Directors commend resolution at item No. 4 for your approval.

None of the Directors and Key Managerial Personnel and their relatives are concerned or interested in the Resolution mentioned at item No. 7 of the notice.

#### **ITEM NO. 8**

Pursuant to provisions of Section 188(1) of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in clause (a) to (g) of the said Section require a Company to obtain prior approval of the Board of Directors and subsequently the Shareholders of the Company by way of Ordinary Resolution in case the value of the Related Party Transactions exceeds the stipulated thresholds prescribed in Rule 15(3) of the said Rule.

Further as required under Regulation 23(4) of SEBI (Listing obligations and disclosure requirements) Regulations 2015, all material related party transactions (other than as specified under regulation 23(4) of the SEBI Listing Regulations 2015 shall require approval of the shareholders through Ordinary Resolution. Accordingly, the approval of the shareholders by way of Ordinary Resolution is sought under Section 188 of the Companies Act, 2013, the Companies (meeting of Board and its Powers) Rules, 2014 and Regulations 23(4) of the SEBI Listing Regulations 2015 to enable the Company to enter into related Party Transactions in one or more tranches.

The particulars of the Related Party Transactions, which are required to be stated in the

Explanatory Statement, as per Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

Name of the Company	Relationship with Company	Name of Interested Director	Transaction Sale/Supply/ Purchase/ Loan/Lease of Property etc
Amtek Auto Limited	Holding Company	Company is Under Corporate Insolvency process	250 Crores

**Terms and conditions:**

1. At market value for each such transaction in compliance with applicable laws including Domestic Transfer Pricing Guidelines.
2. Loans with a rate of interest not lower than the prevailing yield of one year, three-year, five-year or ten-year Government Security closest to the tenure of the Loan.

Members are informed that pursuant to second proviso of Section 188(1) of the Companies Act 2013, no member of the Company shall vote on any resolution to approve any contract or arrangement which may be entered into by the Company, if such member is a related party. Further, as per its General Circular No. 30/2014 dated 17.07.2014, the Ministry of Corporate Affairs has clarified that the term 'Related Party' in the second proviso to Section 188(1) refers only to such Related Party as may be a Related Party in the context of the contract or arrangement for which the resolution is being passed.

**By order of the Board of Directors**

Sd/-

**Place : New Delhi**

**Mona K Bahadur**

**Date : 03.09.2020**

**Company Secretary & Compliance Officer**

**Details of Directors seeking appointment/re-appointment at the Annual General Meeting (In pursuance of Regulation 36(3) of SEBI Listing Regulations)**

<b>Name of Director</b>	<b>Sanjay Tiku</b>	<b>Aditya Malhotra</b>
Date of Birth	27.01.1970	21.11.1982
Date of first Appointment on the Board	19.08.2013	20.04.2015
Expertise in specific functional areas	Significant experience in functional areas International & Domestic Finance, Projects and Operations	Experience in specific fields of Finance, Projects and Operations.
Qualifications	B.Sc., MBA	MBA
Directorship held in other public companies (excluding foreign companies)	<ul style="list-style-type: none"> <li>• Newtime Infrastructure Limited</li> <li>• OCL Iron and Steel Limited</li> <li>• KAC Casting Limited</li> <li>• Aron Auto Limited</li> <li>• Symbios Personnel Advices and Services Limited</li> <li>• Amtek Defence Technologies Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Rollatainers Limited</li> <li>• BS Ispat Limited</li> <li>• Gondwana Ispat Limited</li> <li>• OISL Auto Limited</li> <li>• Amtek Powertain Limited</li> <li>• Aron Auto Limited</li> </ul>
Shareholdings in the Company as on March 31, 2020	NIL	NIL
Relationship between Directors inter-se/ Managers and KMPs Manager and KMPs	NIL	Brother of Mr. Gautam Malhotra (Non-executive Director)
Number of the Board Meetings attended during the year	4 of 4	2 of 4



## DIRECTORS' REPORT

Dear Shareholders,

Your Directors have immense pleasure in presenting their 33<sup>rd</sup> Annual Report alongwith the Audited Results of the Company for the year ended 31st March, 2020.

OPERATING AND FINANCIAL REVIEW	(Rs in Lacs)			
PARTICULARS	Standalone		Consolidated	
	Year ended 31.03.2020	Year ended 31.03.2019	Year ended 31.03.2020	Year ended 31.03.2019
Gross Turnover*	21,676.62	44,357.21	35,062.93	57,759.21
Earnings before Interest, Tax & Depreciation and Amortization (EBITDA)	(793.78)	4105.19	14.55	4,893.88
Finance Cost	1,940.38	1628.13	2,324.51	2900.56
Depreciation	2,137.78	2586.86	4,324.10	3860.31
Tax Expenses	(337.09)	137.41	1,729.38	(116.22)
Net Profit After Tax	(4,534.85)	(247.20)	(8,363.44)	(1,750.77)

**\*Note :** Standalone Gross Turnover for the year ended 31.03.2020 includes GST amounting to Rs. 4,097.64 lacs. Gross Turnover for the year ended 31.03.2019 includes GST amounting to Rs 8,352.11 lacs respectively.

### DIVIDEND

The Board has not recommended any dividend for the year ended 31<sup>st</sup> March 2020.

### COMPANY'S PERFORMANCE - STANDALONE

Revenue from operations for the financial year 2019-20 at Rs. 21,676.62 lacs has decreased by 51.13% over last year (Rs. 44,357.21 lacs in 2018-19). Loss after tax (LAT) for the year is Rs. 4,534.85 lacs, recording further decline as compared to the LAT of Rs. 247.20 lacs in 2018-19.

Reserves and surplus of the Company has decreased from Rs. 11,692.69 lacs in the financial year 2018-19 to Rs. 7,157.84 lacs in 2019-20. The Company has a Net worth of Rs. 12,196.16 lacs as on 31st March, 2020 in comparison to Rs.16,731.01 lacs as on 31st March, 2019.

### CHANGES IN SHARE CAPITAL

The paid-up Equity Share Capital of the Company as on 31st March, 2020 stands at



5038.32 Lakhs, comprising 50,38,32,140 equity shares of Re 1/- each. During the year under review, your Company has neither issued any shares with differential voting rights nor has granted any stock options or sweat equity. The Company has paid listing fee for the financial year 2020-21, to both the stock exchanges, viz NSE & BSE, where its shares are listed.

#### **COVID-19 AND ITS IMPACT**

The impact of COVID-19 on the Company is being closely reviewed with the Management by the Directors from time to time. Your Company had temporarily suspended operations at its Plants and locations as per the directives given by the Central and State Government and keeping in view the safety of work force. After seeking necessary approvals from the Government authorities and maintaining social distancing norms and utmost safety of employees, operations were commenced at the Plants and other locations. However, dispatches were affected due to restriction on movement of finished product to various domestic destinations and to ports for exports, towards the end of the financial year.

#### **DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS AND SWEAT EQUITY SHARES**

The Company has not issued any Equity Shares with Differential Rights nor any Sweat Equity Shares.

#### **STOCK EXCHANGE REQUIREMENTS**

The Equity shares of the Company are being traded at **Bombay Stock Exchange**, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai and at **National Stock Exchange of India Limited**, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai.

#### **CREDIT RATING**

In order to comply with BASEL-II Guidelines your Company has got the rating done by M/s ICRA LIMITED.

<b>CREDIT RATING AGENCY</b>	<b>LONG TERM/ MEDIUM TERM BANK FACILITIES</b>	<b>SHORT TERM BANK FACILITIES</b>
ICRA	[ICRA]D	[ICRA]D

#### **DEPOSITS**

As in the previous year your Company has not accepted any Deposits from the Shareholders/ Public during the year under review, within the meaning of Section 73 of the Companies Act, 2013 and any amendments thereon.

#### **ENVIRONMENT PROTECTION AND POLLUTION CONTROL & QUALITY**

Company is compliant with all the rules and regulations of the Jharkhand State Pollution Control Board and regularly monitors and keeps the effluents, emissions and waste



disposals from the works well within the stipulated parameters as per the Environment Conservation & Pollution Control Laws.

The Company is of ISO 14001/2015, OHSAS 18001/2007, OHSAS 9001/2015, IATF 16949/2016 and AS 9100/2016 certified and maintains its commitment towards according priority to Environment, Occupational Health and Safety and Quality as part of its work culture.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board of directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors with one woman Independent Director, in compliance with SEBI Listing Regulations.

Mr. Sanjay Tiku (DIN-00300566) retires by rotation and being eligible offers himself for re-appointment at the ensuing annual general meeting.

Mr. Aditya Malhotra (DIN-02191303), also retires by rotation and being eligible offers himself for re-appointment at the ensuing annual general meeting.

Pursuant to the provisions of Section 149 of the Act, Company has appointed 2 Independent Directors namely Ms. Rajiv Kapur Kanika Kapur and Mr. Vivek Malik for a period ending at this meeting and their appointment shall be confirmed for a period of five years subject to approval of the Shareholders. Accordingly, resolution seeking approval of Shareholders for his appointment to the office of Independent Director, forms part of the Notice convening the Annual General Meeting. Both the Independent Directors have submitted a declaration declaring that they meet the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

The Company has CEO, CFO and CS as the Key Managerial Personnel. There are no changes in the KMPs of the Company.

## **NUMBER OF BOARD MEETINGS**

Four meetings of the board were held during the year 2019-20. A meeting of Independent Directors was held separately. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report.

## **PERFORMANCE EVALUATION OF BOARD**

The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI Listing Regulations.

The performance of the Independent Directors was evaluated by the Board after seeking inputs from all the directors on the effectiveness and contribution of the Independent Directors.

The performance of the committees was evaluated by the board after seeking inputs



from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134(5) of the Companies Act, 2003 the Directors hereby confirm:

1. That in the preparation of Annual Accounts, the applicable Accounting Standards have been followed and there has been no material departure.
2. That the selected accounting policies were applied consistently and the directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profits for the year ended on that date.
3. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the annual accounts have been prepared on a going concern basis.
5. That internal financial controls have been laid down to be followed by the Company and such internal financial controls are adequate and operating effectively.
6. That proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2019-20.

**POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS**

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act and any amendments thereon has been disclosed in the Corporate Governance Report, which forms part of the Boards' Report.

**INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis Report, which forms part of this report.

**INTERNAL AUDITORS**

The Board of Directors based on the recommendation of the Audit Committee have appointed M/s. Rajender Singh & Co. as the Internal Auditors of your Company. The Internal Auditors are submitting their reports on quarterly basis.

**STATUTORY AUDITORS**

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s. Raj Gupta & Company, Chartered Accountants, were appointed as statutory auditors of the Company from the conclusion of the 30<sup>th</sup> Annual General Meeting (AGM) of the Company held on September 28, 2017 till the conclusion of the 35<sup>th</sup> AGM to be held in the year 2022, subject to ratification of their appointment at every AGM. However, the Statutory Auditors M/s Raj Gupta & Company have resigned as the Auditors of the Company on 14<sup>th</sup> August, 2020. Hence the Board appointed M/s. Chaturvedi & Co. Chartered Accountants as Statutory Auditors to fill the casual vacancy created by resignation. The appointment has been placed for approval of the members, at the ensuing Annual General Meeting for a period of 5(five) consecutive years from the commencement of this Annual General Meeting till the conclusion of the 38<sup>th</sup> Annual General Meeting.

**COST AUDITORS**

In accordance with Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014 the Audit Committee has recommended and the Board of Directors had appointed M/s. Yash Sardana & Associates, Cost Accountants & Management Consultants (Membership No – 17996), being eligible and having sought re-appointment, as Cost Auditors of the Company, to carry out the audit of the cost records of the products manufactured by the Company during the financial year 2020-21 on a remuneration of INR 40,000/- and out-of-pocket expenses.

The remuneration payable to the cost auditor is to be placed before the Members in the general meeting for their ratification. Accordingly, a Resolution seeking Members ratification for the remuneration payable to M/s. Yash Sardana & Associates, is included in the Notice convening the Annual General Meeting. The Company is maintaining cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.





## **REPORTING OF FRAUDS**

During the year under review, there was no instance of fraud, which required the Statutory Auditors to report to the Audit Committee and /or Board under Section 143(12) of the Companies Act, 2013 and the rules made there under.

## **MATERIAL CHANGES & COMMITMENTS**

Except, as disclosed elsewhere in the Report, there have been no material changes and commitments, which can affect the financial position of the Company between the end of the financial year and the date of report.

As required under Section 134(3) of the Companies Act, 2013, the Board of Directors informs the shareholders that during the period under review, no changes have occurred in the nature of the Company's business or in the nature of the business carried on by them and generally in the classes of business in which the Company has an interest.

## **RISK MANAGEMENT**

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report.

## **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

## **ENVIRONMENT, HEALTH AND SAFETY**

Company has made significant contribution towards conservation of energy. Innovation and technological up gradation of processes and methods have made significant impact in the overall consumption of natural resources, energy, fuel etc.

Company's management is consistently involved in promoting eco-friendly measures like planting of trees in and around the Work units, creating new gardens, Rain Water Harvesting, usage of transparent sheets for natural sunlight inside the plant, use of turbo ventilators for ventilation purpose and for minimizing the carbon footprints, use of propane gas in the heat treatment plants for reducing the carbon emissions, minimizing effluents through better monitoring and corrective measures, reduction of quantum of input material, whether it is steel, or usage of inert gases for welding through Value Analysis / Value Engineering activities.



All statutory safety norms are diligently followed by the Company. Safety is accorded prime importance in the organization. Each Unit has Safety Committee to oversee the safety of the work force through ensuring safe working conditions and well informed and duly trained workers. Safety audits and evacuation drills are conducted regularly and all staff members are encouraged to take part in the same and training for the awareness of the employees are conducted at regular intervals.

Company has a personal Accident Insurance Policy (group) for ensuring welfare and security to the employees and their families.

## **CORPORATE GOVERNANCE**

The Company is committed to maintain high standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Report on Corporate Governance as stipulated under SEBI Listing Regulations is attached to this Report.

## **ANNUAL RETURN EXTRACT**

As provided under Section 92(3) of the Act, the extract of annual return is given as **Annexure-I** in the prescribed Form MGT-9, which forms part of this report.

## **CORPORATE SOCIAL RESPONSIBILITY**

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure-II** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company.

## **SUBSIDIARY AND ASSOCIATES**

During the year, the Board of Directors ('the Board') reviewed the affairs of the subsidiary company. In accordance with Section 129(3) of the Companies Act, 2013, we have prepared consolidated financial statements of the Company, which forms part of this Annual Report. Further, a statement containing the salient features of the financial statement of the subsidiary and joint venture company in the prescribed **Form AOC-1** is annexed herewith as **Annexure-III** and forms part of the Annual Report which covers the financial position of subsidiary and associate company and hence not repeated here for the sake of brevity.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on our website, [www.jmtauto.com](http://www.jmtauto.com). These documents will also be available for inspection during business hours at our registered office in New Delhi.

## **RELATED PARTY TRANSACTIONS**

None of the transactions with related parties falls under the scope of section 188(1) of the Act. All RPTs entered during the financial year by the Company are in ordinary

course of business and on an arms' length basis. No material RPTs were entered during the financial year. Accordingly, the disclosure required u/s 134(3)(h) of the Act in Form AOC-2 is not applicable to your Company.

#### **PARTICULARS OF EMPLOYEES AND REMUNERATION**

- (a) The ratio of remuneration of each director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Board's report as **Annexure - IV**.
- (b) The statement containing particulars of employees as required under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable as there are no employees falling in the category.

#### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. V Hari & Company, Company Secretaries to undertake the Secretarial Audit of the Company for the FY 2019-20. The Secretarial Audit Report is annexed herewith as **Annexure-V** to this report.

Further, your Board of Directors would like to inform that the Secretarial Audit Report does not contain any observation or qualification or adverse remark.

#### **COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS**

During the year under review, the Company has complied with secretarial standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO**

The relevant data regarding the above is given in the **Annexure-VI** here to and forms part of this report.

#### **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

A detailed review of operations, performance and out look of the Company is given separately under the head "Management Discussion and Analysis Report" and forms a part of the Annual Report.

#### **DISCLOSURE REQUIREMENTS**

As per SEBI (LODR) Regulations, 2015, Corporate Governance report with Auditors' certificate thereon and management discussion and analysis and business responsibility



report are attached, which form part of this report. Details of the Familiarization Programme of the independent directors are available on the website of the Company (URL: [www.jmtauto.com/investors](http://www.jmtauto.com/investors)).

Policy on dealing with related party transactions is available on the website of the Company (URL: [www.jmtauto.com/investors](http://www.jmtauto.com/investors)).

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act and SEBI (LODR) Regulations, 2015 (URL: [www.jmtauto.com/investors](http://www.jmtauto.com/investors)).

### **ACKNOWLEDGEMENTS**

The Board of Directors place on record their gratitude for the co-operation, patronage and support received from Customers, Suppliers, Financial Institutions, Bankers, Stock Exchanges, SEBI, RBI and other Regulatory Bodies at all levels.

Your directors also wish to acknowledge the contribution made by the employees at all levels and above all the trust and confidence reposed by the shareholders.

**For and on behalf of the Board of Directors**

**Place: New Delhi**

**Date : 03.09.2020**

Sd/  
**Sanjay Tiku**  
**CEO & Whole Time Director**  
**DIN-00300566**

**ANNEXURE TO DIRECTORS' REPORT**
**ANNEXURE - I**
**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN as on financial year ended on 31.03.2020**  
**Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the**  
**Company (Management & Administration) Rules, 2014**

**I. REGISTRATION & OTHER DETAILS:**

- i. CIN: L42274DL1997PLC270939
- ii. Registration Date: January 16, 1997
- iii. Name of the Company: JMT AUTO Limited
- iv. Category/Sub-category of the Company: Company Limited by Shares, Indian Non-Government Company
- v. Address of the Registered office & contact details :  
 3, LSC, Pamposh Enclave, Guru Nanak Market, Opp. LSC Market, New Delhi – 110 048, Tel: 011-42344444. Email: [jmt.auto@jmtauto.com](mailto:jmt.auto@jmtauto.com)
- vi. Whether listed company: Yes, listed on Bombay Stock Exchange & National Stock Exchange of India
- vii. Name, Address & contact details of the Registrar & Transfer Agent, if any:  
 C B Management Services Pvt. Limited, P-22, Bondel Road, Kolkata – 700 019  
 Tel: 033-40116722. Email: [rtta@cbmsl.com](mailto:rtta@cbmsl.com)

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the

SI No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Motor Vehicle part and accessory manufacturing Services	9988813	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Amtek Auto Limited	L27230HR1988PLC030333	Holding	66.77	2(46)
2	Amtek Metallic Systems Pte Ltd	Incorporated in Singapore	Subsidiary	100	2(87)
3	Amtek Riken Casting Pvt Ltd	U35990DL2014PTC272515	Associate	35	2(6)

**IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**
**(i) CATEGORY WISE SHARE HOLDING**



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	Increase	Decrease
<b>A. Promoters</b>										
<b>(1) Indian</b>										
a) Individual/HUF	0	0	0	0	0	0	0	0	0	0
b) Central Govt. or State Govt.	0	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	361412200	0	361412200	71.73	336412200	0	336412200	66.77	0	4.96
d) Bank/FI	0	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (1)</b>	361412200	0	361412200	71.73	336412200	0	336412200	66.77	0	4.96
<b>(2) Foreign</b>										
a) NRI-Individuals	0	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (2)</b>	361412200	0	361412200	71.73	336412200	0	336412200	66.77	0	4.96
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	361412200	0	361412200	71.73	336412200	0	336412200	66.77	0	4.96
<b>B. PUBLIC SHAREHOLDING</b>										
<b>(1) Institutions</b>										
a) Mutual Funds	0	28000	28000	0.006	0	0	0	0	0	0.006
b) Banks/FI	0	0	0	0	18683	0	18683	0.001	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0	0
f) Insurance Companies										
g) FIIS	36655728	0	36655728	7.28	36650178	0	36650178	7.27	0	0





h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(1):</b>	<b>36655728</b>	<b>28000</b>	<b>36683728</b>	<b>7.28</b>	<b>36668861</b>	<b>0</b>	<b>36668861</b>	<b>7.28</b>	<b>0</b>	<b>0</b>
<b>(2) Non Institutions</b>										
a) Bodies corporate										
i) Indian	7797504	340520	8138024	1.62	37868256	80020	37946276	7.53	5.92	0
ii) Overseas	0	0	0	0	0	0	0	0	0	0
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs 2 lakhs	51636877	17252492	68889369	13.67	51968470	8737092	60705562	12.05	0	1.62
ii) Individuals shareholders holding nominal share capital in excess of Rs 2 lakh	21000858	0	21000858	4.17	18378586	0	18378586	3.65	0	0.52
c) Others (specify)										
NRI	4520553	621000	5141553	1.02	4030674	551000	4581674	0.91	0	0.11
Clearing Member	2489278	0	2489278	0.49	308868	0	308868	0.06	0	0.43
Trust	73130	0	73130	0.01	73130	0	73130	0.01	0	0
OCB	4000	0	4000	0.00		4000	4000	0	0	0
IEPF		0		0.00	8752983	0	8752983	1.74	1.74	0
<b>SUB TOTAL (B)(2):</b>	<b>87522200</b>	<b>18214012</b>	<b>105736212</b>	<b>20.99</b>	<b>121378967</b>	<b>9372112</b>	<b>130751079</b>	<b>25.95</b>	<b>4.96</b>	<b>0</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>124177928</b>	<b>18242012</b>	<b>142419940</b>	<b>28.27</b>	<b>158047828</b>	<b>9372112</b>	<b>167419940</b>	<b>33.23</b>	<b>4.96</b>	<b>0</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>485590128</b>	<b>18242012</b>	<b>503832140</b>	<b>100</b>	<b>494460028</b>	<b>9372112</b>	<b>503832140</b>	<b>100</b>	<b>-</b>	<b>-</b>

**(ii) SHARE HOLDING OF PROMOTERS**

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year		
		No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares
1	Amtek Auto Limited	336412200	66.77	100%	336412200	66.77	66.77
2	W L D Investments Pvt Ltd	25000000	4.96	100%	0	0	0
<b>Total</b>		<b>361412200</b>	<b>71.73</b>	<b>100%</b>	<b>0</b>	<b>6.77</b>	<b>100%</b>

**(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)**

Sl. No.	Name of Promoters	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the company	No of shares	% of total shares of the company
1.	Amtek Auto Limited	336412200	66.77%	336412200	66.77%
2	WLD Investments Pvt Ltd	25000000	4.96%	0	0
	<b>Total</b>	<b>361412200</b>	<b>71.73%</b>	<b>336412200</b>	<b>66.77%</b>
No change in the %age of Shareholding during the year.					

**(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN PROMOTERS)**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 01.04.2019		Cumulative Shareholding at the end of the year 31.03.2020	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	LTS INVESTMENT FUND LTD	28092267	5.58	28092267	5.58
2	VISTRA ITCL INDIA LIMITED	0	0	25000000	4.96
3	ELARA INDIA OPPORTUNITIES FUND LTD	7331838	1.46	7331838	1.46
4	ASHOK MITTAL	3127652	0.62	3127652	0.62
5	AARKEN ADVISORS PVT. LTD.	2207270	0.44	2207270	0.44
6	SIDDHARTH BASSI	2418931	0.48	2518931	0.50
7	ARUNIMA MITTAL	1632000	0.32	1632000	0.32
8	SUPREET RATNAKAR PRABHU	1488053	0.30	0	0
9	NIKHIL NANDA	1412471	0.28	1412471	0.28
10	ANOOP JAIN	1369256	0.27	0	0
11	EIGHT CAPITAL INDIA RECOVERY FUND Ltd	1226073	0.24	1226073	0.24
12	ALWIN ASHOK ALVA	1078051	0.21	1216618	0.24

The Shares of the company are frequently traded and hence date wise increase/decrease in shareholding is not indicated. The result in changes in the top 10 shareholders is due to trading in securities by the shareholders.

**(v) SHAREHOLDING OF DIRECTORS & KMPs**

Sl. No.	Directors & Key Managerial Persons	Shareholding at the beginning of the year 01.04.2018		Cumulative Shareholding at the end of the year 31.03.2020	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	None of the Directors or KMPs hold any shares of the Company	0	0	0	0

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	13,447.23	-	-	13,447.23
ii) Interest due but not paid	32.37	-	-	32.37
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	13,479.60	-	-	13,479.60
Change in Indebtedness during the financial year				
Additions	-	-	-	-
Reduction	(355.99)	-	-	(355.99)
Net Change	(355.99)	-	-	(355.99)
Indebtedness at the end of the financial year				
i) Principal Amount	12,523.61	-	-	12,523.61
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	12,523.61	-	-	12,523.61



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole time director and/or Manager :**

Sl.No	Particulars of Remuneration	Name of the MD/WT/Manager	Total Amount (in lakhs)
1	<b>Gross salary</b>	<b>Sanjay Tiku CEO &amp; WTD</b>	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	55.03	55.03
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.30	0.30
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	...	...
2	Stock option	...	...
3	Sweat Equity	...	...
4	Commission as % of profit	...	...
	others (specify)	...	...
5	Others, please specify	...	...
	<b>Total (A)</b>	<b>55.33</b>	<b>55.33</b>
	<b>Ceiling as per the Appointment by Shareholders as per Sec 198 &amp; Schedule V</b>		<b>60.00</b>

**B. Remuneration to Key Managerial Personnel other than MD/Manager/WT/**

Sl. No	Particulars of Remuneration	Key Managerial Personnel		
1	<b>Gross Salary</b>	<b>Mr. Sandeep Surya CFO</b>	<b>Ms. Mona K Bahadur Company Secretary</b>	<b>Total (in lacs)</b>
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	20.85	8.20	29.05
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	...	...	...
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	...	...	...
2	Stock Option	...	...	...
3	Sweat Equity	...	...	...
4	Commission as % of profit	...	...	...
5	Others, please specify	...	...	...
	<b>Total</b>	<b>20.85</b>	<b>8.20</b>	<b>29.05</b>

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES**

List of penalties, punishment or compounding of offences during the financial year ended 31<sup>st</sup> March, 2020:-

1. Penalty as per SEBI regulations u/s 33, for delay (8 days) in submission of financial results for the quarter ended 31<sup>st</sup> March, 2019 – penalty of INR 40,000/- plus GST paid to National Stock Exchange and BSE Limited.
2. Penalty as per SEBI regulations u/s 33, for delay (4 days) in submission of financial results for the quarter ended 30<sup>th</sup> September, 2019 – penalty of INR 20,000/- plus GST paid to National Stock Exchange and BSE Limited.

## ANNEXURE - II

### REPORT ON CSR ACTIVITIES

#### 1. A brief outline of the Company's CSR Policy :

The Corporate Social Responsibility (CSR) Policy of the Company is aligned with its overall commitment to maintaining the highest standards of business performance. We recognize that our business activities have direct and indirect impact on the society. The Company strives to integrate its business values and operations in an ethical and transparent manner to demonstrate its commitment to sustainable development and to meet the interests of its stakeholders.

Accordingly, the company has CSR Policy ("the Policy") duly approved by the Board of Directors with a view to provide a mechanism for meeting its social responsibility in an effective manner and to provide optimum benefits to various deserving sections of the society.

#### 2. Composition of the CSR Committee as on 31<sup>st</sup> March 2020 :

Mr. Gautam Malhotra	(DIN: 00157488)	Chairman
Mr. Sanjay Tiku	(DIN: 00300566)	Member
Mr. Sanjay Chhabra	(DIN: 01237026)	Member

#### Reconstituted CSR Committee as on 7<sup>th</sup> August, 2020 :

Mr. Sanjay Tiku	(DIN: 00300566)	Chairman
Ms. Kanika Kapur	(DIN: 07154667)	Member
Mr. Vivek Malik	(DIN: 08316440)	Member

#### 3. Applicability of CSR Rules

Pursuant to Section 135 of companies Act 2013 Corporate Social Responsibility expenditure is mandatory for companies fulfilling any of the following 3 criteria:

1. Net worth => Rs 500 crore during the immediately preceding year
2. Turnover => Rs 1000 crore during the immediately preceding year
3. Net profit before tax => Rs 5 crore during the immediately preceding year

Hence in order to determine whether CSR expenditure is mandatory for a company in FY 2019-20, we need to check net worth or turnover or net profit before tax criteria based on financial statement for FY 2018-19 and if the company is fulfilling any of the 3 condition then CSR provisions (Sec 135) will be applicable for such company.



Criteria	Min. Limit as per Sec 135 of Companies Act, 2013	JMT AUTO in 2018-19
Net Worth	500 Crores	167.31 Crores
Turn Over	1000 Crores	360.06 Crores
Net Profit (PBT)	5 Crores	(10.98) Crores Loss

**4. Average net profit of the Company for the last three financial years:**

Financial Year	Net Profit (In Lacs)	CSR Applicability
2016-17	576.41	Yes
2017-18	172.81	No
2018-19 (Loss)	(109.80)	No
Total	—	—
<b>Average Net Profit</b>	<b>NA</b>	—

5. As per the provisions of the Companies Act, 2013, and the Rules made thereunder the CSR provision and Rules were not applicable on the Company during the financial year 2019-20. However, the Company, as per its CSR policy, is in the process of completing the projects undertaken during the Financial Year 2018-19 and shall endeavor to finish the work at the earliest.
6. Responsibility Statement by the CSR Committee :

We, hereby affirm that the CSR policy as approved by the Board, is in place and is implemented in accordance to the applicable provisions of Companies Act, 2013 and the rules made thereunder.

**By order of the Board of Directors**

**Place: New Delhi**

**Date: 03.09.2020**

Sd/-  
**Mona K Bahadur**  
 Company Secretary

**ANNEXURE - III****AOC-1**

**(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

**Part A :Subsidiaries**

1. Name of Parent Company - JMT AUTO Limited
2. Name of the subsidiary – Amtek Mettalic Systems Pvt Limited
3. The date since when subsidiary was acquired – 30th September, 2018
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period. April-March.
5. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries - Euro - 82.29
6. Share capital – 5.28
7. Reserves and surplus – 417.80
8. Total assets – 13,622.28
9. Total Liabilities – 13,622.28
10. Investments - Nil
11. Turn over – 17,483.95
12. Profit before taxation - (1,788.14)
13. Provision for tax – (449.85)
14. Profit after taxation – (1,338.29)
15. Proposed Dividend – Nil
16. Extent of shareholding (in percentage) – 100%

**Notes :** The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations - NA
2. Names of subsidiaries which have been liquidated or sold during the year - NA

### **Part B : Associates and Joint Ventures**

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates or Joint Ventures	
Associate Company	Amtek Riken Casting Pvt Limited
1. Latest audited Balance Sheet Date	31 <sup>st</sup> March, 2020
2. Date on which the Associate or Joint Venture was associated or acquired	20 <sup>th</sup> October, 2015
3. Shares of Associate or Joint Ventures held by the company on the year end	
No.	70,00,000 Shares
Amount of Investment in Associates or Joint Venture	700 Lacs (INR)
Extent of Holding (in percentage)	35%
4. Description of how there is significant influence	There is significant influence due to percentage (%) of the share capital.
5. Reason why the associate/joint venture is not consolidated	NA
6. Networth attributable to shareholding as per latest audited Balance Sheet	661.21 Lacs (INR)
7. Profit or Loss for the year	
i. Considered in Consolidation	10.65 Lacs (INR)
ii. Not Considered in Consolidation	19.78 Lacs (INR)

- Names of associates or joint ventures which are yet to commence operations: - NA
- Names of associates or joint ventures which have been liquidated or sold during the year. - NA

Sd/-  
**Sandeep Singh Surya**  
 Chief Financial Officer

Sd/-  
**Mona K Bahadur**  
 Company Secretary

Sd/-  
**Vivek Malik**  
 Director  
 DIN - 08316440

Sd/-  
**Sanjay Tikku**  
 Whole-Time Director  
 DIN - 00300566

Place : New Delhi  
 Date : 03.09.2020



**Additional Information, as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiary/Associates/ Joint Venture.**

(Rupees in Lacs)

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities			Share in profit or loss	
	Reporting Currency	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
<b>Parent</b>					
JMT Auto Ltd	INR	92.62%	12237.46	77.19%	-4,491.56
<b>Subsidiaries</b>					
<b>Overseas</b>					
Amtek Mettalic Systems Pte Ltd.	Euro	7.20%	951.39	23.00%	(1,338.29)
<b>Associate</b>					
Amtek Riken Casting Private Limited	INR	5.00%	661.21	-0.18%	10.65
Adjustments due to consolidation		-4.83%	-637.59		
<b>Total</b>		<b>100.00%</b>	<b>13,212.47</b>	<b>100.00%</b>	<b>(5,819.20)</b>

Sd/-  
**Sandeep Singh Surya**  
 Chief Financial Officer

Sd/-  
**Mona K Bahadur**  
 Company Secretary

Sd/-  
**Vivek Malik**  
 Director  
 DIN - 08316440

Sd/-  
**Sanjay Tiku**  
 Whole-Time Director  
 DIN - 00300566

Place : New Delhi  
 Date : 03.09.2020

**ANNEXURE - IV**

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:**

<b>Directors</b>	<b>Ratio to median remuneration</b>
Sanjay Chhabra	-
Sanjay Tiku	1 : 228
John Ernest Flintham	-
Gautam Malhotra	-
Aditya Malhotra	-
Anuradha Kapur	-

- b. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:**

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary  
 % increase in remuneration in the Financial Year

Sanjay Chhabra	Nil
Sanjay Tiku	Nil
John Ernest Flintham	Nil
Gautam Malhotra	Nil
Aditya Malhotra	Nil
Anuradha Kapur	Nil
Mona K Bahadur	Nil
Sandeep Singh Surya	Nil

- c. The percentage increase in the median remuneration of employees in the financial year: Nil**
- d. The number of permanent employees on the rolls of Company: 597**
- e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: NIL**
- f. Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms remuneration is as per the remuneration policy of the Company.

**ANNEXURE- V****Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2020**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**To,  
The Members,  
JMT AUTO Limited  
3, LSC Pamposh Enclave,  
Guru Nanak Market, Opp LSC Market  
New Delhi-110 048**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JMT AUTO Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of JMT AUTO Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by JMT AUTO Limited for the year ended 31st March, 2020 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Rules framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-



- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share based Employee Benefits) regulations, 2014 – Not applicable as the Company has not granted any Stock Options to its employees during the year under review;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client. - Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable as the Company has not delisted its equity shares from any stock exchange during the year under review;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not applicable as the Company has not bought back any of its securities during the year under review;
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(vi) Other laws applicable to the company as per representation made by the Management.

I hereby report that during the Review Period :

- a) The listed entity has complied with the provisions of the above Regulations and Circulars/guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/Circulars/guideline including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Regulation 33(3)(a)- Financial Result for Quarter ended 31st March, 2019	Delayed Submission	The Audited financial results were submitted on 7th June, 2019 with a delay of 8 (Eight) days.
2.	Regulation 33(3)(a)-Financial Result for Quarter ended 30th September 2019	Delayed Submission	The Un-audited financial results were submitted on 18th November, 2019 with a delay of 4 (Four) days.

- b) The following are the details of actions taken against the listed entity/ its promoters/ directors/material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and Circulars/guidelines issued thereunder

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment etc.	Observations/Remarks of the Practicing Company Secretary, if any.
1.	Stock Exchange	Regulation 33(3)(a)- Financial Result for Quarter ended 31st March, 2019	Penalty paid	The Penalty has been paid by the Company for late submission of Financial Result for the Qtr ended 31st March, 2019
2.	Stock Exchange	Regulation 33(3)(a)- Financial Result for Quarter ended 30th September, 2019	Penalty paid	The Penalty has been paid by the Company For late submission of Financial Result for the Qtr ended 30th September, 2019

**I further report that** having regard to compliance system prevailing in the Company and on examination of the relevant documents and records In pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- The Factories Act, 1948 and the Factories rules
- The Petroleum Act, 1934 and rules made thereunder
- The Environment Protection Act, 1986 and the rules made thereunder
- The Water (Prevention and Control of Pollution) Act, 1974 and the rules made thereunder
- The Air (Prevention and Control of Pollution) Act, 1974 and the rules made thereunder

**I further report that** the compliance of the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by the statutory financial audit and other designated laws.

I have also examined compliance with the applicable clauses of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India
- The Listing Agreements entered into by the Company with National Stock Exchange of India & The BSE Limited

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes

in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**Place:** New Delhi

**Date:** 21st July, 2020

**Name of Auditor:** Varanasi Hari

**FCS No:** 3552

**CP No:** 8244

**UDIN:** F003552B000483671



## **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

[Pursuant to Regulation 34(3) read with Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

**To,**  
**The Members,**  
**JMT Auto Limited**  
**(CIN: L42274DL1997PLC270939)**  
**3, LSC, Pamposh Enclave,**  
**Guru Nanak Market, Opp. LSC Market**  
**New Delhi - 110048**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **JMT Auto Limited (CIN L42274DL1997PLC270939)** having its Registered Office at **3, LSC, Pamposh Enclave, Guru Nanak Market, Opp. LSC Market, New Delhi - 110048** (hereinafter referred to as "**the Company**") produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary by us and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company stated below for the Financial Year ending March 31, 2020 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority.

<b>Sl. No.</b>	<b>Name of the Director</b>	<b>Director Identification Number (DIN)</b>	<b>Date of Appointment in the Company</b>
1.	Mr. Gautam Malhotra	00157488	19/08/2013
2.	Mr. Sanjay Tiku	00300566	19/08/2013
3.	Mr. John Ernest Filintham	01463500	19/08/2013
4.	Mr. Aditya Malhotra	02191303	20/04/2015
5.	Mr. Sanjay Chhabra	01237026	28/03/2014
6.	Ms. Rajiv Kapur Kanika Kapur	07154667	29/11/2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification of the documents provided. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For S. Khurana and Associates**  
**Company Secretaries**  
**FRN - I2014DE1158200**  
**Peer Review No. – 804/2020**

**Place: New Delhi**  
**Date: 02-09-2020**

**CS Sachin Khurana**  
**Proprietor**  
**FCS: 10098; C.P. No.: 13212**  
**UDIN: F010098B000651739**

**ANNEXURE - VI**
**INFORMATION UNDER (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS' RULES), 1988 AND FORMING PART OF THE DIRECTORS' REPORT**
**CONSERVATION OF ENERGY**

Company continues to take measures towards conservation of energy through optimum utilization of energy and other resources. Utilization of energy intensive machines, procurement of energy efficient technologies etc is done as part of energy conservation measures. Company has been consistent in its efforts to conserve energy and natural resources and reduce consumption of Power, Fuel, Oil, Water and other energy sources by following strict adherence to :

1. Power saving processes and methods.
2. Innovation and up-gradation of technology.
3. Installation of Auto Power Cut-Off for electrical energy consumption.
4. Energy saving in utility by proper machine planning.
5. Emphasis on non-conventional energy sources.
6. Proper training to the employees and workforce to ensure minimum wastage of energy and natural resources.

**FORM A**
**(A) Power and Fuel Consumption**

1	Electricity	Current Year	Previous Year
	Purchase units (KWH) (Fig. In Lakhs)	334.35	573.03
	Total Amount (Rs.) (Fig. In Lakhs)	2235.45	3,307.92
	Average Cost per Unit (Rs.)	6.69	5.77
2	(a) Furnace Oil	Current Year	Previous Year
	Quantity (Litre) (Fig. In Lakhs)	4.59	11.97
	Total Cost (Rs.) (Fig. In Lakhs)	156.07	437.14
	Average Cost per Litre (Rs.)	34.00	36.56
	(b) Propane Gas	Current Year	Previous Year
	Quantity (K.G.) (Fig. In Lakhs)	7.83	11.82
	Total Cost (Rs.) (Fig. In Lakhs)	323.80	537.11
	Average Cost per K.G. (Rs.)	41.34	45.45
	(c) Others/Internal Generation	Current Year	Previous Year
	Quantity( K.G.) (KWH) (Fig. In Lakhs)	2.07	3.72
	Units/Litre of Diesel Oil (KWH)	3.76	3.82
	Average Cost per unit. (Rs.)	17.73	17.67

**(B) Consumption per unit of total production :**

Product		Current Year	Previous Year
Electricity	(KWH)	5.07	4.44
Furnace Oil	(Liter)	0.07	0.09
Propane Gas	(K.G.)	0.12	0.09

**FORM B**
**I. Research and Development :**

- In house Phosphating line installed and work started for Timken.
- 2 nos. of PIT type furnace thoroughly modified - brick lining, changing retorts etc.
- Modification of another 2 nos. of PIT type furnace is going on.
- One Digital Rockwell cum Rockwell superficial Hardness Tester and one Brinell hardness
- Tester of 3000 kg load installed & work started.
- 2 nos. unused BOFCO furnace reconditioned thoroughly and production started.
- One Rotary hearth furnace and one tempering furnace we brought from DWD, repaired thoroughly at JMT and started Timken production.
- In house R.A.Shaft project initiated along with hardened-tempered and induction hardening and further production to be increased.
- One ultrasonic flaw detector procured for Rear Axle Shaft project.

**II. Benefits derived as a result of the above R & D :**

Increase in productivity.

Quality improvement & also reduced cycle times.

Delay in quenching during unloading avoided and consistency of surface hardness attained.

**III. Future plan for action :**

- Modification of 2 nos. of Bofco furnaces.
- Modification of 2 nos. of PIT type furnaces.
- One Sub-zero treatment furnace along with liquid nitrogen facilities is in the line for Metallurgical quality improvement (to reduce retained austenite from 40 % to 15-20 %).
- In house ten tank Phosphating line for Halliburton to be installed and work is going on.
- Modification of 2 nos. of PIT type furnace is going on.
- Plans to install one set of Rockwell cum Rockwell superficial Hardness Tester for increased productivity.

**IV. Expenditure on R & D :**

a. Capital	The development work is carried on by the concerned departments continuously. No separate record of the expenditure incurred on R&D.
b. Recurring	
c. Total	
d. Total R&D Expenditure as a percentage of total turn overs.	



**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**
**1. Efforts in brief made towards Technology Absorption, Adaptation and Innovation**

JMT continuously strives to meet international standards of precision through improvisation of existing processes, innovation and adaptation of new technologies and methods. The product quality has improved significantly due to better utilization of machines, improvised processes and enhanced precision.

Proportionately the Power and fuel consumption has been reduced by such in house improvisations and by optimizing the production capacity. Incessant efforts have been made towards reduction of wastage and rejections.

**2. Benefits derived as a result of the above efforts:**

Significant reduction in consumption of raw material and energy.

Operational efficiency has increased leading to reduced time-loss and rejections.

**3. Imported Technology :**

- |   |   |     |
|---|---|-----|
| a. Technology Imported                    | : | Nil |
| b. Year of Import                         | : | NA  |
| c. Has the technology been fully absorbed | : | NA  |

(C) Sales comprises of F.O.B. value of export. During the year 2019-20, total F.O.B Value of export was Rs. 3,079.96 Lacs (previous year Rs.6,877.53 Lacs).

**(D) FOREIGN EXCHANGE EARNINGS AND OUTGO**

1. Activities relating to Exports, initiatives to increase exports, Development of new Export Markets for Products and Services and Export plans :

The Company has taken initiative to export in the Global market and its product has been well accepted.

2. Total Foreign Exchange used and earned:

(Rupees in lakhs)

	Current Year	Previous Year
a. Earning (FOB Value of Export) :	3,079.96	6,877.53
b. Expenditure :	22.05	5.71

**For and on behalf of the Board of Directors**

Place : New Delhi

Date : 03.09.2020

Sd/-  
**Sanjay Tikku**  
 CEO & Whole Time Director  
 DIN-00300566

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**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****1. GLOBAL ECONOMIC OVERVIEW**

The International Monetary Fund (IMF) apprehends that the year 2020 could see the worst global economic fallout since the Great Depression in the 1930s with over 170 countries likely to experience negative per capita income growth due to the raging COVID-19 pandemic.

Global growth has declined to a negative percentage with the World Economic Outlook (WEO) forecast at (-4.9) % in 2020, 1.9 percentage points below the April 2020. The COVID-19 pandemic has had a more negative impact on activity in the first half of 2020 than anticipated.

Consumption growth, in particular, has been downgraded for most economies, reflecting the larger-than anticipated disruption to domestic activity. The projections of weaker private consumption reflect a combination of a large adverse aggregate demand shock from social distancing and lockdowns, as well as a rise in precautionary savings. Moreover, investment is expected to be subdued as firms defer capital expenditures amid high uncertainty. The adverse impact on low-income households is particularly acute, imperilling the significant progress made in reducing extreme poverty in the world since the 1990s.

For the first time, all regions are projected to experience negative growth in 2020. There are, however, substantial differences across individual economies, reflecting the evolution of the pandemic and the effectiveness of containment strategies; variation in economic structure; reliance on external financial flows, including remittances; and pre-crisis growth trends.

Growth in the advanced economy group is projected at -8.0 % in 2020, 1.9 percentage points lower than in the April 2020 WEO. Synchronized deep downturns are foreseen in the United States (-8.0 %); Japan (-5.8 %); the United Kingdom (-10.2 %); Germany (-7.8 %); France (-12.5 %); Italy and Spain (-12.8 %).

Overall, growth in the group of emerging market and developing economies is forecast at -3.0 % in 2020, 2 percentage points below the April 2020 WEO forecast. Growth among low-income developing countries is projected at -1.0 % in 2020, some 1.4 percentage points below the April 2020 WEO forecast, although with differences across individual countries.

In China, where the recovery from the sharp contraction in the first quarter is underway, growth is projected at 1.0 % in 2020, supported in part by policy stimulus. India's economy is projected to contract by 4.5 % following a longer period of lockdown and slower recovery than anticipated in April 2020.

The disruptions due to the pandemic, as well as significantly lower disposable income for oil exporters after the dramatic fuel price decline, imply sharp recessions in Russia (-6.6 %), Saudi Arabia (-6.8 %), and Nigeria (-5.4 %), while South Africa's performance (-8.0 %) will be severely affected by the health crisis.

In 2021 global growth is projected at 5.4 %. Overall, this would leave 2021 GDP some 6.5 percentage points lower than in the pre-COVID-19 projections of January 2020. Consumption is projected to strengthen gradually next year, and investment is also expected to firm up, but to remain subdued.

## **2. INDIAN ECONOMIC OVERVIEW**

Global headwinds and challenges in the domestic financial sector moderated the growth of Indian economy in 2019-20. The real GDP growth slowed to an 11 year low of 4.2% in 2019-20 as compared to 6.1% in 2018-19, according to data released by the National Statistical Office. In the final quarter of the year, that is, January-March, the growth rate of Gross Domestic Product (GDP) fell to 3.1%, reflecting the impact of the first week of the COVID-19 lockdown which began on March 25, 2020.

Agriculture and mining sectors picked up steam in the fourth quarter, growing at rates of 5.9% and 5.2% respectively, even while the manufacturing sector contracted further, recording a negative growth of 1.4%. Public administration, defence and other services grew at 10.1%.

Foreign direct investment (FDI) in India grew by 13% to a record of \$ 49.98 billion in the 2019-20 financial year, according to official data.

Sectors which attracted maximum foreign inflows during 2019-20 include services (\$ 7.85 billion), computer software and hardware (\$ 7.67 billion), telecommunications (\$ 4.44 billion), trading (\$ 4.57 billion), automobile (\$ 2.82 billion), construction (\$ 2 billion), and chemicals (\$ 1 billion), according to Department for Promotion of Industry and Internal Trade (DPIIT).

According to the data from RBI, India's foreign exchange reserves reached US\$ 534 billion for the week ended 31st July, 2020. Despite a temporary moderation in the Gross Domestic Product (GDP) growth in 2019-20, the fundamentals of Indian economy remain strong and GDP growth is expected to rebound in 2020-21.

Fiscal situation remained close to the consolidation path and consumer price inflation was within the targeted limits set by the monetary policy committee of Reserve Bank of India (RBI). Despite continuing sluggishness in global demand the Current Account Deficit (CAD) narrowed to 1.5% of GDP in first half of 2019-20 from 2.1% in 2018-19.

Global confidence in the Indian economy improved as reflected in growing inflows of net Foreign Direct Investment (FDI) and an all-time high accumulation of foreign exchange reserves of US\$ 457.5 billion as in end December, 2019. India moving up by 14 positions to 63rd rank in 2019 World Bank's Ease of Doing Business 2020 Report, has among others, contributed to the increase in global confidence in Indian economy.

The growth of the economy appears to have bottomed out and is expected to pick up in 2020-21. The prospects for Indian economy for the year 2020-21 need to be assessed in the light of emerging global and domestic challenges and opportunities.





### **3. AUTOMOBILE INDUSTRY**

#### **3.1 GLOBAL AUTOMOBILE INDUSTRY**

Contributing approximately 4% to global GDP, Automotive sector has immense importance in manufacturing sector. By 2020, the OEMs were expected to increase their share by 50% but the impact of COVID-19 has changed the entire scenario where OEMs need to adapt according to regional supply and demand of automotive products. Regional supply chains will now be more prominent to fulfil the consumer needs. At the same time the growing trend towards Electric and Autonomous vehicles has opened many new opportunities.

Credit rating agency Moody's Investor Service cut its 2020 outlook for Global Auto sales to 20% as the global economy outlook worsens due to coronavirus concerns. Moody's retained a "negative" outlook on the sector and pinned an ambitious healthy rebound in global sales in 2021 with growth of 11.5%.

The automotive industry in the United States experienced a sharp drop in demand in March 2020: vehicle sales were down 38 % year-on-year 2020 light vehicle sales are expected to be between 14.5 and 16.4 million units, depending on the severity of the impact from the coronavirus pandemic. In 2019, just under 17 million light vehicles were sold in the U.S., accounting for about 97 % of the roughly 17.5 million motor vehicles that were sold in the United States in 2019.

Light vehicle sales are largely driven by the light truck segment. U.S. light truck sales increased to more than 12 million units in 2019. Meanwhile the number of cars sold in the U.S. went down from a staggering 11.4 million units in 1973 to a little over 4.7 million units in 2019, mainly because U.S. consumer demand shifted towards larger vehicles over the course of the past decades.

In the light of the major economic crisis facing the auto industry due to COVID-19, the European Automobile Manufacturers' Association (ACEA) has radically revised its 2020 forecast for passenger car registrations down to about -25%.

This effectively means that the industry association expects car sales in the European Union to tumble by more than 3 million from 12.8 million units in 2019 to some 9.6 million units this year.

Following the first shockwaves of the crisis between mid-March and May, the EU market has contracted by 41.5% so far this year. This situation is expected to ease to a certain extent in the coming months as lockdown and containment measures are lifted throughout the region.

Nonetheless, in terms of volumes, ACEA's forecast for 2020 represents the lowest number of new cars sold since 2013, when the industry had come through six consecutive years of decline in the aftermath of the 2008-2009 financial crisis. In terms of percentage change, the bleak outlook represents the sharpest drop ever witnessed by Europe's automobile sector.





### **3.2 INDIAN AUTOMOBILE INDUSTRY**

The automobile industry in India is the world's fourth largest. India was the world's fourth largest manufacturer of cars and seventh largest manufacturer of commercial vehicles in 2019. Indian automotive industry (including component manufacturing) is expected to reach Rs 16.16-18.18 trillion (US\$ 251.4-282.8 billion) by 2026. The industry attracted Foreign Direct Investment (FDI) worth US\$ 24.21 billion during April 2000 to March 2020 according to the data released by Department for Promotion of Industry and Internal Trade (DPIIT).

Domestic automobile production increased at 2.36 % CAGR between FY16-FY20 with 26.36 million vehicles being manufactured in the country in FY20. Overall, domestic automobiles sales increased at 1.29 % CAGR between FY16-FY20 with 21.55 million vehicles being sold in FY20.

Two wheelers and passenger vehicles dominate the domestic Indian auto market. Passenger car sales are dominated by small and mid-sized cars. Two wheelers and passenger cars accounted for 80.8 % and 12.9 % market share, respectively, accounting for a combined sale of over 20.1 million vehicles in FY20.

Overall, automobile export reached 4.77 million vehicles in FY20, growing at a CAGR of 6.94 % during FY16-FY20. Two wheelers made up 73.9 % of the vehicles exported, followed by passenger vehicles at 14.2 %, three wheelers at 10.5 % and commercial vehicles at 1.3 %.

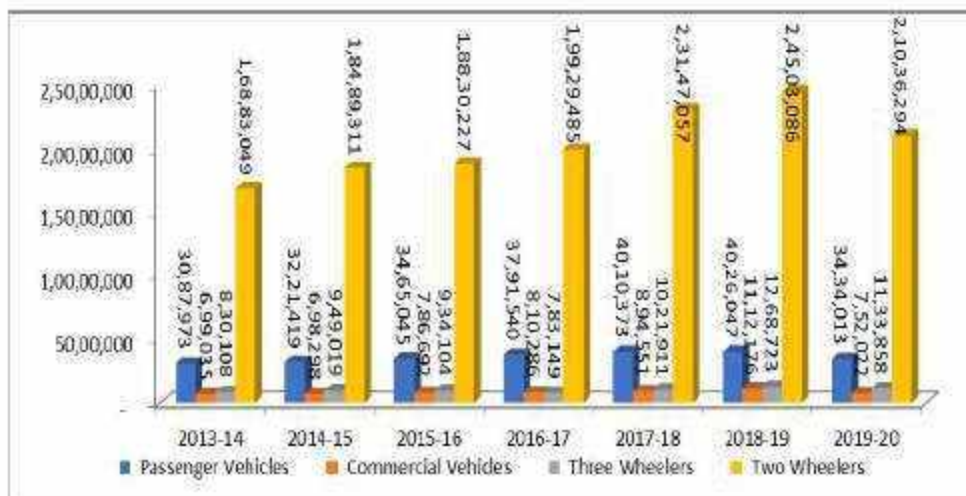
The Government aims to develop India as a global manufacturing and research and development (R&D) hub. It has set up National Automotive Testing and R&D Infrastructure Project (NATRiP) centres as well as National Automotive Board to act as facilitator between the Government and the industry. Under (NATRiP), five testing and research centres have been established in the country since 2015. NATRiP's proposal for "Grant-In-Aid for test facility infrastructure for Electric Vehicle (EV) performance Certification from NATRIP Implementation Society" under FAME (Faster Adoption and Manufacturing of (Hybrid) and Electric Vehicles in India) scheme was approved by Project Implementation and Sanctioning Committee (PISC) on January 03, 2019.

The Indian Government has also set up an ambitious target of having only EVs being sold in the country. The Ministry of Heavy Industries, Government of India, has shortlisted 11 cities in the country for introduction of EVs in their public transport system under the FAME scheme. The first phase of the scheme was extended to March 2019 while in February 2019, the Government approved FAME-II scheme with a fund requirement of Rs 10,000 crore (US\$ 1.39 billion) for FY20-22.

Under Union Budget 2019-20, Government announced to provide additional income tax deduction of Rs 1.5 lakh (US\$ 2146) on the interest paid on the loans taken to purchase EVs. EV sales, excluding e-rickshaws, in India witnessed a growth of 20 % and reached 1.56 lakh units in FY20 driven by two wheelers.

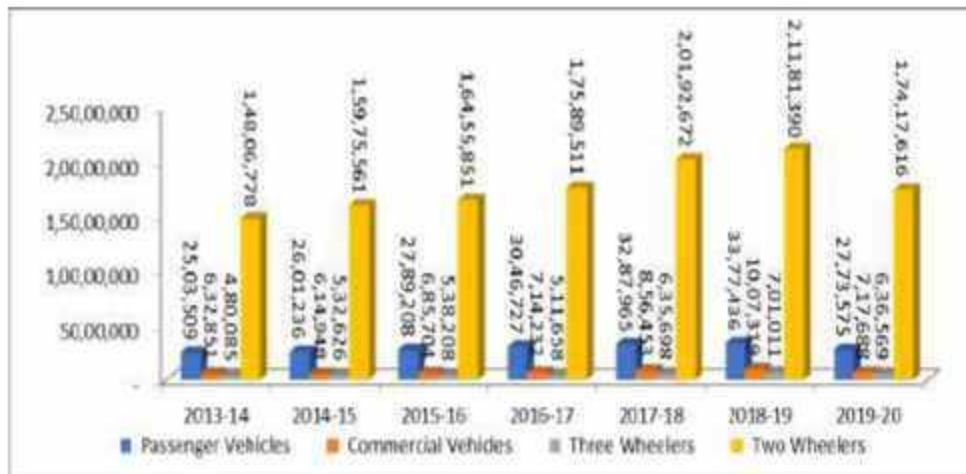


## AUTOMOBILE PRODUCTION TRENDS

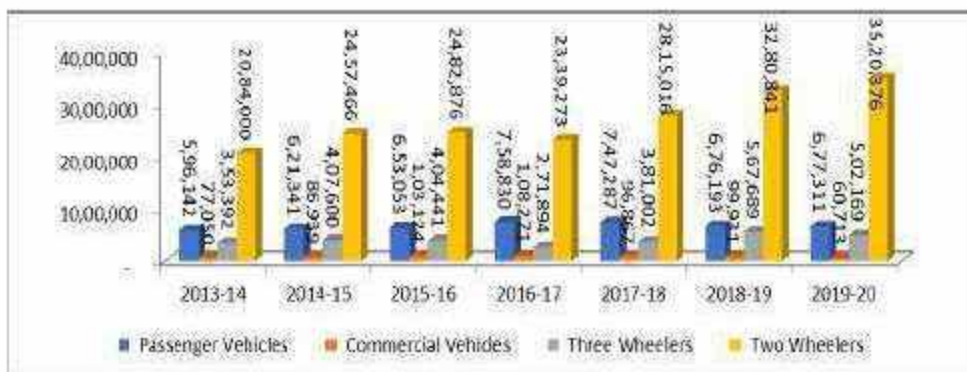


\*Source: SIAM statistics

## DOMESTIC SALES TRENDS



\*Source: SIAM statistics

**EXPORTS TRENDS**


\*Source: SIAM statistics

**1. AUTOMOTIVE COMPONENTS INDUSTRY**

The automotive component industry that contributes 2.3% to India's GDP, 25% to its manufacturing GDP and provides employment to 50 lakh people, stood at Rs. 3.49 lakh crore (USD 49.2 billion) for the period April 2019 to March 2020, registering a de-growth of 11.7 % over the previous year as per the findings of Automotive Component Manufacturers Association of India (ACMA), the apex body representing India's Auto Component manufacturing industry.

The overall vehicle industry witnessed a severe downturn in 2019-20 that saw its sales slump by 18%. The component industry, in tandem, registered a de-growth of 11.7 % over the year, registering a turnover of Rs.3.49 lakh crore (USD 49.2 billion). Auto Component aftermarket at Rs.69,381 crore (USD 9.8 billion) remained stable while sales to OEMs in the domestic market at Rs.2.87 lakh crore (USD 40.5 billion) declined 17 %. Both Imports and exports declined by 11.4 % and 3.2 % respectively; Imports stood at Rs. 1.09 lakh crore (USD 15.4 billion), while exports at Rs. 1.02 lakh crore (USD 14.5 billion).

ACMA observed that the automotive industry faced a prolonged slowdown in FY 2019-20 with vehicle sales in all segments plummeting significantly. Subdued vehicle demand, investments made for transition from BSIV to BSVI, liquidity crunch, lack of a clarity on policy for electrification of vehicles and slow-down in key export markets, among others, had an adverse impact on the performance of the components sector in India as also on its expansion plans.

**Key indicators of Auto Component Industry Performance Review for 2019-20:**

- Exports :** Exports of auto components witnessed degrowth of 3.2 % to Rs.1.02 lakh crore (USD 14.5 billion) in 2019-20 from Rs 1.06 lakh crore (USD 15.2 billion) in 2018-19. Europe accounting for 30 % of exports, saw a decline of 11 %, while



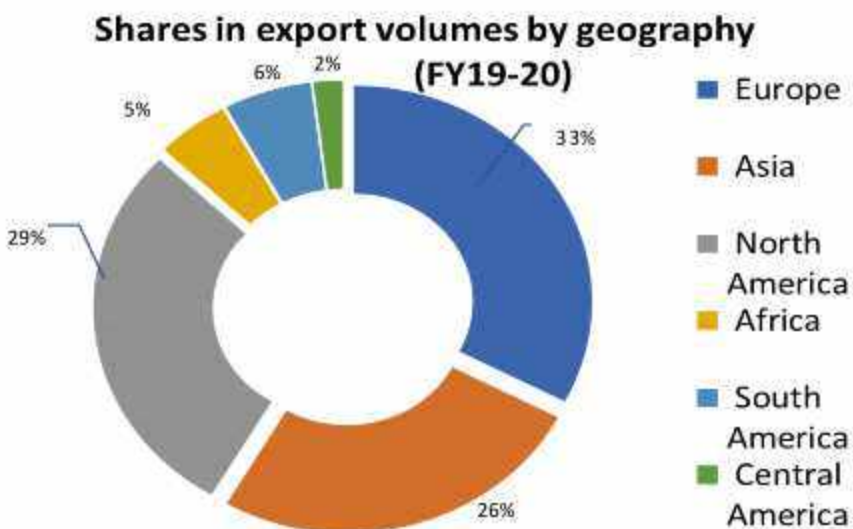


North America and Asia, accounting for 30 % and 27 % respectively remained stable.

The key export items included drive transmission & steering, engine components, Body/Chassis, Suspension & Braking etc.

- **Imports** : Slowdown in the domestic market also reflected on imports of component into India. Component imports fell by 11.4 % to Rs.1.09 lakh crore (USD 15.4 billion) in 2019-20 from Rs.1.23 lakh crore (USD 17.7 billion) in 2018-19. Asia accounted for 65 % of imports followed by Europe and North America at 26 % and 8 % respectively. Imports from Asia declined by 7 %, while those from Europe by 22 % and from North America by 17 %.
- **Aftermarket** : The aftermarket in FY 2019-20 remained stable despite a downturn in the vehicle industry. The turnover of the aftermarket stood at Rs 69.381 crore (USD 9.8 billion) growing marginally by 2.8 % over the previous year.

#### Indian Automotive Component Exports by Geography

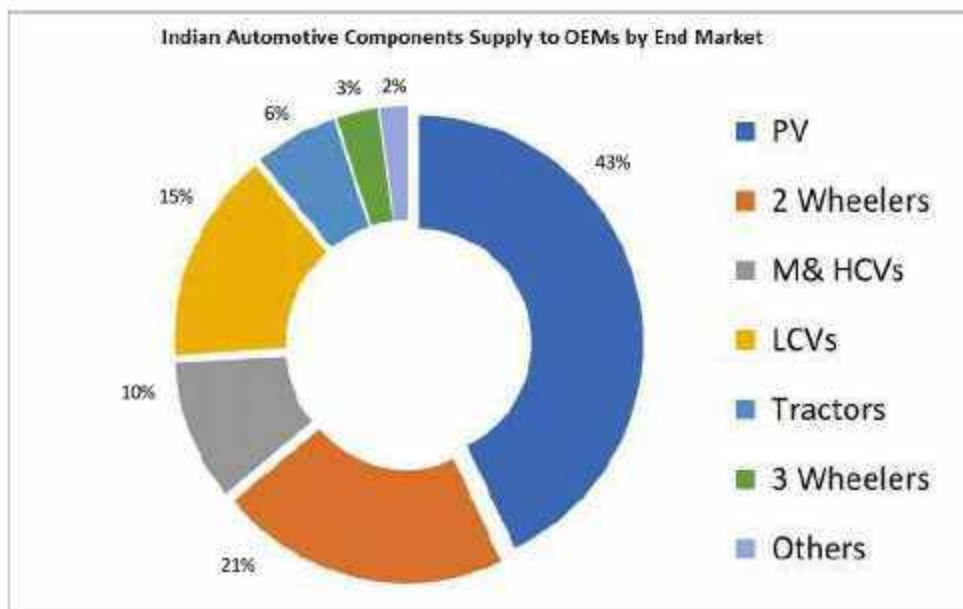


- Europe accounted for 33 % volume share of Indian auto-component export during FY19, followed by North America and Asia at 29 and 26 % respectively.
- Production of two wheelers, passenger vehicles, commercial vehicles and three wheelers reached 21.03 million, 3.43million, 0.75 million, and 1.13 million, respectively in FY 19-20.



- Passenger vehicles had the highest share of total auto-component supplies to OEMs in FY19-20, followed by two wheelers and light commercial vehicles (LCV).

#### **Indian Automotive Components Supply to OEMs by End Market**



\*Source : IBEF Report

India's automobile industry is the world's fourth largest. India was the world's fourth largest manufacturer of cars and seventh largest manufacturer of commercial vehicles in 2019. Indian automotive industry (including component manufacturing) is expected to reach between Rs 16.16-18.18 trillion (US\$ 251.4-282.8 billion) by 2026. Indian automobile industry received Foreign Direct Investment (FDI) worth US\$ 24.21 billion between April 2000 and March 2020.

Domestic automobile production increased at 2.36 % CAGR during FY16-FY20 with 26.36 million vehicles being manufactured in the country in FY20. Production of two wheelers, passenger vehicles, commercial vehicles and three wheelers reached 21.03 million, 3.43 million, 0.75 million, and 1.13 million, respectively, in FY20.

Automobile export is expected to grow at a CAGR of 3.05 % during 2016-2026. The Government of India expects automobile sector to attract US\$ 8-10 billion in local and foreign investment by 2023.

#### **Government Policies supporting the Auto-Component Industry**

- Establishing special auto-parks & virtual SEZs for auto-components

- Lower excise duty on specific parts of hybrid vehicles
- Policies such as Automotive Mission Plan 2016-26, Faster Adoption & Manufacturing of Electric Hybrid Vehicles (FAME-II) and NMEM-2020 are likely to infuse growth in the auto-component sector of the country.
- The Government announced National Mission on Transformative Mobility and Battery Storage based on phased manufacturing program (PMP) till 2024.
- To install electric vehicle supply equipment (EVSE) infrastructure for EVs, various public sector firms, ministries and railways have come together to create infrastructure and manufacturing components
- Major fund allocation in Union Budget 2020, for infrastructure, warehousing and logistics through rail, land and air will allow manufacturers to strengthen the business footprint domestically and are in line with international best practices

## **1. BUSINESS OVERVIEW**

JMT Auto Limited is an automotive component manufacturer with advanced manufacturing capabilities and world class facilities in India, Singapore, Germany, Romania and Sweden. The Company also exports components to the US for the oil and gas industry.

### **India Operations**

The Company was established in 1987 as Jamshedpur Heat Treatment Company and started operations in the heat treatment job-work business. Since then, the Company has grown its business to become a precision gear manufacturer with world class manufacturing capabilities including the latest gear and gear-shaft manufacturing technologies. JMT Auto's core competence is in the manufacturing of high precision gears and shafts up to DIN 4 standard. The Company has also emerged as a leading precision machinist of super-finished pins and shafts for hydraulic applications and critical structural castings and forgings. The state-of-the-art and vertically integrated facilities in India include fully automated machining lines, design & engineering capabilities.

In the recent years, the Company has grown substantially, owing to a focus on quality, innovation and application of Lean Manufacturing principles enabling us to secure business across industries. We are greatly acknowledged in the global market place for the continuous improvement in product quality and advancement of our technologies. However 2019-20 has been a lean year due to overall slump in the Auto Industry globally.

### **International Operations**

International operations of JMT Auto Ltd comprise a wholly owned subsidiary, Amtek Mettalic Systems Pte Ltd, incorporated at Singapore under which ALGA, an automotive component manufacturing company manufactures products exclusively for the automotive sector. Its products include flywheel starter ring gears for all kinds of motors, housing rings for trucks, mass rings, ramp rings, and sensor rings.

ALGA exports more than 95% of its production. The productive facilities encompass three plants in the Abadiano area that total 12,512 sqm. It has a total of 245 employees.

## **2. STRATEGY AND OUTLOOK**

Over the last decade, the automobile components industry has registered a CAGR of 10.06 % and reached US\$ 56.52 billion in FY19, while export grew at a CAGR of 8.34 % during FY14-FY19 to touch US\$ 15.17 billion in FY19. The auto components industry accounted for 2.3 % of India's Gross Domestic Product (GDP) and 25 % to its manufacturing GDP, providing employment to 50 lakh people. However, the Automobile component industry's revenue has declined to US\$ 49.2 billion in FY20, due to slump in Automobile Industry.

As per Automobile Component Manufacturers Association (ACMA), automobile component export from India is expected to reach US\$ 80 billion by 2026. The Indian auto component industry aims to achieve US\$ 200 billion in revenue by 2026.

According to IBEF, Indian automotive industry (including component manufacturing) is expected to reach between Rs 16.16-18.18 trillion (US\$ 251.4-282.8 billion) by 2026. Indian automobile industry received Foreign Direct Investment (FDI) worth US\$ 24.21 billion between April 2000 and March 2020.

Domestic automobile production increased at 2.36 % CAGR during FY16-FY20 with 26.36 million vehicles being manufactured in the country in FY20. Production of two wheelers, passenger vehicles, commercial vehicles and three wheelers reached 21.03 million, 3.43 million, 0.75 million, and 1.13 million, respectively, in FY20.

Automobile export is expected to grow at a CAGR of 3.05 % during 2016-2026. The Government of India expects automobile sector to attract US\$ 8-10 billion in local and foreign investment by 2023.

Government's Policies are supporting the Industry to follow OEMs in adoption of electric vehicle technologies. The global move towards electric vehicles is generating new opportunities for automotive suppliers. The mass conversion to electric vehicles aims to generate US\$ 300 billion domestic market for EV Batteries in India by 2030.

Though the Union Budget 2020, did not announce any direct benefits to the Auto Sector, yet certain indirect benefits form part of the overall strategies and plan of action of the Government.

**'Make in India'** has been the priority of the Government for greater value addition and employment generation in the country. The proposed hike in SKD/ CKD forms of Passenger EVs is consistent to the 'Make in India' approach and encourages progressive localization of Electric vehicles in the country. This will drive the efforts of OEMs more towards local operations and ensure greater commitment to Electrification in the country.

The reduction in the corporate tax rate is also going to benefit the companies with an additional availability of funds for more R&D including the EV companies. Liquidity support for NBFC's will act as a confidence booster for them to lend, helping the auto sector.

As part of National Electric Mobility Mission Plan (NEMMP) 2020, FAME-II (Faster Adoption & Manufacturing of Electric Hybrid Vehicles Scheme) has been notified to be implemented for 3 years from April 2019 with a total outlay of 10,000 Crores. The FAME – India Scheme formulated by Department of Heavy Industry led to a continuous increase in registered OEMs



and vehicle models. In February 2019, the Government of India approved the FAME-II scheme with a fund requirement of Rs 10,000 crore (US\$ 1.39 billion) for FY20-22. Due to the COVID-19 pandemic, validity of FAME-II Certificates was extended till June, 2020 for all vehicle models.

Under National Automotive Testing and R&D Infrastructure Project (NATRiP) various facilities including passive safety labs comprising of crash core facility and crash instrumentations including dummies were established at ICAT-Manesar & ARAI-Pune

To give a fresh thrust to e-mobility in public transport, Department of Heavy Industry announced the launch of public & shared mobility based on electric powertrain.

At JMT Auto, we aim to be equipped for adapting to the changing scenario of the industry. We strive to enhance our core business by aligning with the changing demands of our customers, most of them being market leaders in the respective industry segments. We continue to adapt and structure our business in a way so as to be able to capitalise on growth opportunities from other future growth areas, with an aim at diversifying our end use segment and customer base. We cater to commercial vehicles, construction and off-road machinery; agricultural and farm machines as well as oilfield equipment and services sectors.

The Business Excellence Program, which we started in 2014, continues to facilitate a highly successful implementation of lean manufacturing processes. It remains the driving force behind JMT Auto's cost controls and productivity initiatives, and is a key attribute of the Company's business strategy. JMT Auto has also taken up certain other strategic initiatives such as realigning the product mix and expanding the product range to increase the share of our value added product offering. Other initiatives centre around overall fiscal control, quality improvement, up-gradation in technology and research & development. The Company also continues to focus on cost reduction and rightsizing initiatives. We are confident that these initiatives, in particular the new set of products that are being developed, will help make JMT Auto much more competitive in the market place.

During the year 2019-20 the Auto Component Industry has been at its worst with huge decline in demand in Auto Sector. The impact has cascaded down to substantial decrease in demand from major Customers. However Agriculture equipments sector has been on a positive growth route with a slight increase in supply of components to tractor and other agriculture equipments by JMT as compared to last year.

### **3. OPPORTUNITIES & STRENGTHS**

#### **Outlook for the Global Automotive Industry :**

The coronavirus outbreak has heavily impacted the Automotive industry. OEMs and parts suppliers have yet to return to full production capacity. Consequent delays in delivery might impact the market at multiple levels from postponed new car model launches, shattered supply chains, financially drained SMEs, and dampened vehicle sales in Q1-Q2, 2020. The effects will spill over into the rest of the year as well, with unfulfilled order deliveries due to ongoing production slowdowns. This situation is set to exacerbate the numerous challenges



already facing the auto industry, including tougher CO2 emissions standards and higher investments in new technologies.

As the effects of the pandemic start to wane and the industry begins to recover, OEMs will explore various options to drawback consumers and offset the drop in sales. Light vehicle (LV) sales in China, the United States, the United Kingdom, Spain, Germany, France, and Italy have been hit hardest by the COVID-19 outbreak in the first quarter of 2020. A mild recovery is likely in the second half of the year as the pandemic tides over. Overall, a decline in sales of more than 14% is anticipated in 2020.

Global Light Vehicle (LV) sales suffered a sharp fall in April, dropping by 45% year-on-year (YoY), with the selling rate reaching 49 mn units/year. In May the fall was recorded at 33% year-on-year (YoY) and it was 18.1% in June, 2020.

Global Light Vehicle (LV) sales fell by just 6.8% year on year (YoY) in July — somewhat better than results seen in previous months — while the selling rate rose to 85.7 mn units/year, continuing the upward trajectory observed since the peak of the pandemic in April.

Frost & Sullivan's recent analysis, Global Electric Vehicle Market Outlook 2020, finds the Covid-19 uncertainty will globally dent electric vehicle (EV) sales, which are estimated to stand somewhere between  $\pm 9\%$  in 2020 compared to 2019 under three different scenarios—gradual containment, severe pandemic, and global emergency.

But as the market recovers, which is probably after June in the best-case prospect, it is predicted to experience healthy growth. In an optimistic scenario, EVs are estimated to grow by 8.6% year-on-year (YoY), registering 2.5 million unit sales (battery electric vehicles plus plug-in hybrid electric vehicles) globally in 2020.

Automotive companies are expected to focus more on preserving their capital in the short term, developing a more robust online retailing strategy, and incorporating a wide range of Health Wellness and Wellbeing (HWW) features in their vehicles.

#### **Outlook – Indian Automotive Industry:**

From 3.4 million units at its FY19 peak, the car industry could shrink by a million to 2.4 million units. Two-wheeler sales could plunge by 5 million units at the end of FY21, from its peak of 21 million to an estimated 15.5-16 million. Almost all segments of the Indian passenger vehicle market are set to see a decline over 10-15% in 2020-2021, forecasts by CRISIL and ICRA Ratings.

The automobile industry is at its worst in the Year 2020 as sales dip across vehicle segments. The outbreak has cast a long shadow over a much-anticipated mild recovery in the Indian economy in the year 2021. It will be significantly impacted from both supply side as well as demand side, due to plant shutdowns as well as subsequent lower demand as people tackle the pandemic.

Within automobile segments, commercial vehicle industry, which was hit the hardest in 2019-20, would be the worst hit in 2020-21. The nationwide lockdown has hit freight demand and transporters are expected to see a significant drop in their income. Lower private consumption

and availability of redistribution freight will hit demand for light commercial vehicles as well in FY20, the sector recorded its worst annual volume decline for the two wheelers and passenger cars, while the medium and heavy commercial industry saw the worst fall in the history.

A slowdown in demand across vehicle categories, has led to production cuts by leading automobile original equipment manufacturers (OEMs) over the last 12 months. The slowing vehicle demand and the consequent piling up of inventory with dealers have meant moderation in orders for the automobile components sector. CRISIL Research sees the auto components sector's revenue declining 4-6% in fiscal 2020 as against 15% growth in fiscal 2019. Despite the fall in raw material prices, which are typically passed on with a lag, players are also seeing pressure on their operating margins as utilisation rates are on the decline.

The health of the domestic automobile sector is a key factor in the growth of the auto components sector. This is because about 65% of the revenue of auto component firms come from domestic OEMs. The remaining 19% come from export and about 16% from replacement. So, any sales decline or production cut in the automobile sector is bound to impact the components makers. Within the OEM segment, passenger vehicles (PVs comprising cars and utility vehicles) account for about 51% of auto component demand, two-wheelers around 26%, commercial vehicles (CVs) around 16% and tractors about 5%.

According to CRISIL in fiscal 2021, automobile production growth is expected to bounce back over a low base. Given the sharp decline in fiscal 2020, the overall automobile production growth over fiscals 2019-2024 is expected to be muted at 2-4%.

Revenue of auto components makers from the OEM segment is likely to decline by 8-10% in fiscal 2020 owing to multiple production cuts by auto makers due to the weak retail sentiments and inventory liquidation. The growth of revenue from OEMs is expected to bounce back to 12% after the implementation of the BS-VI norms. This is owing to the higher production over a low base and increased component intensity

### **Governments Policies and Opportunities**

The Government of India's Automotive Mission Plan (AMP) 2006-2016 has come a long way in ensuring growth for the sector. Indian Automobile industry is expected to achieve a turnover of \$300 billion by the year 2026 and will grow at a rate of CAGR 15 % from its current revenue of \$74 billion.

The FAME India Scheme combined with 'Make in India' initiative of Indian Government with focus on improving ease of business will result in making India an even more cost effective manufacturing destination.

The Indian Government's Automotive Mission Plan 2016-26, the key driver of the 'Make in India' campaign envisages four-fold growth in automotive volumes by FY2026. The Indian auto sector has the potential to generate up to US\$300 billion in annual revenues by FY2026, create around 65 million additional jobs and contribute more than 12% to India's GDP, according to the plan prepared jointly by SIAM and the Government of India.

From April 2020 the BS-VI emission norms have been adopted. BS-VI norms which places



India in a select group of economies with Euro VI-compliant fuels and will help the Indian Automotive Component sector to increase the number of geographies they reach out to. Additionally, India has implemented Corporate Average Fuel Efficiency norms in which the manufacturers have to improve their fuel efficiency by 10 % between 2017 and 2021 and by 30 % or more from 2022. This has added huge burden on the manufacturers but also opened scope for improvisation and upgradation through R&D to be a player at a global level.

The US policy of higher tariffs on Chinese products, is good for India, as some US customers are already engaging more with manufacturers as a Plan B. The second opportunity is Euro VI norms. India's BS VI norms are almost similar to Euro VI norms, and, hence, all vehicles produced in India will be saleable in Europe, yielding a good opportunity to the domestic components industry.

Additionally, as European OEMs are under cost pressure and are no more making diesel vehicles, they can diversify production to India or depend more on imports from India. Given these opportunities, the Indian auto industry can focus and grow more in the exports markets, mainly the US and Europe. Besides, the Indian automotive industry's penetration into the export market is minuscule, leaving a huge headroom.

Export of automobile components from India in FY19 stood at US\$15.17 billion. As per ACMA forecast, automobile component exports from India is expected to reach US\$80 billion by 2026. Indian auto components industry aims to achieve US\$200 billion in revenues by 2026.

#### **4. RISK AND CONCERNS**

**Impact of COVID-19 :** Coronavirus is likely to change the future of the automotive industry and is believed to produce a long-lasting impact on a large scale. The Indian GDP forecast shows there will be an absolute drop of around 2.8% in FY 2021. The CAGR of the Indian automotive industry's sales between FY 2009 and FY 2020 comes around 8%. The Passenger Car segment registered a 5% growth rate, Commercial vehicle 6%, 2-wheelers 8%, and 3-wheelers segments registered a 6% growth rate between FY 2009 and FY 2020.

The size of the Indian Automotive market is lessened to 2,15,50,494 units with an 18% degrowth in FY 2020. Among which, commercial vehicle market is declined to 7,17,688 units with a 29% degrowth, three Wheeler market is declined to 6,36,539 units with a 29% reduction, passenger vehicle declined to 27,75,679 units with an 18% degrowth and two wheeler market declined to 1,74,17,616 units which again is an 18% degrowth in FY 2020. However, the SUV/MUV and MHCV are two sub-segments that showed minor growth.

Also, this massive crisis is going to change the outlook for auto manufactures in the near future as the focus is likely to shift towards health and wellness solutions in vehicles. The pandemic has also impacted other mobility verticals such as shared mobility, electric vehicles, connectivity solutions, aftermarket, and vehicle leasing.

**Policy & Regulations Changes:** With the implementation of the BS-VI emission norms from 1<sup>st</sup> April 2020 combined with the lockdowns and slump in sale due to COVID-19 the Indian Auto Industry is stuck with huge stock of unsold BS-IV vehicles.



The impact of COVID-19 on the BS-VI transition is likely to be indirect, i.e. it will feed through in the form of financial pressure on OMCs and automobile manufacturers. In both sectors, firms have incurred sunk costs to make way for the adjustment. For the OMCs, the cost recovery is likely to hinge on the outcome of negotiations with the government. Even if the price hike is agreed to, the severe mobility restrictions would place a bearish pressure on fuel demand. COVID-19, in effect magnifies the issue of sunk costs for the industry. It is likely that this will place a short-term pressure on their financial health.

Similar to the condition of OMCs, COVID-19 comes as an adverse demand shock for automobile manufacturers. Estimates by brokerage houses state that sales volumes could decline by 40-50% in 2020. Recently, firms have been forced to rationalise production and even suspend it in some cases given bleak sales forecasts. The Society of Indian Automobile Manufacturers (SIAM) reported that the estimated loss to the industry is INR 230 million per day in lost revenues.

The automobile industry is in dire straits. The industry had witnessed structural issues and decreasing sales prior to the outbreak, which exacerbates the industry's woes. As far as the BS-VI transition was concerned, automobile manufacturers were required to take key decision for product strategy, pricing and inventory management. For instance: Firms had to shorten the inventory cycles of BS-IV compliant vehicles to make way for the new models in addition to considering the increased costs of production for the BS-VI model. There is also the issue of prices. BS-VI compliant models in the two-wheeler segment are 8% – 14% costlier than the average product.

Commercial vehicle manufacturers are expected to incur a massive net loss of around Rs 6,000 crore in the current financial year, with the volume likely to touch its lowest point in a decade after two consecutive years of high de-growth, according to Ratings agency CRISIL.

In the April-June period of FY21, according to data, the total CV (commercial vehicle) sale in the country stood at 31,636 units, a decline of 85% year-on-year as the country remained in the coronavirus-induced lockdown for most part of the June quarter, with most of the trade and business activities coming to a halt.

**Macroeconomic Uncertainty:** JMT Auto's operations are spread across different regions. Due to the global nature of JMT Auto's business, its operations are directly dependent on the general economic conditions across key global markets. In the recent past, global economic growth has remained volatile and uneven with several key markets facing economic challenges. The Company, on a regular basis, assesses and evaluates the macroeconomic performance in its key markets and takes suitable remedial actions as may be necessary from time to time to mitigate such risks.

**Changes in Tax, Tariffs or Fiscal Policies:** Imposition of additional taxes and levies designed to limit the use of automobiles could adversely affect demand for the Company's products. Changes in corporate and other taxation policies, as well as changes in export and other incentives granted by various governments, or import or tariff policies, could also adversely affect the Company's financial results.



**Geopolitical and other Risks:** Political instability, wars, terrorism, multinational conflicts, natural disasters, fuel shortages and their prices, epidemics, labour strikes all present business risks. To counter these risks, the Company continues to expand its geographic presence across all major automotive economies in the world.

**Country Risk through Exports:** Products produced by JMT Auto are exported to a number of different markets globally. This exposes the Company to various risks associated with international business transactions. These include various geopolitical risks, currency price regulatory risks and other such concerns.

**Raw Material Prices:** Prices and availability of various raw materials such as steel, non-ferrous, precious metals, rubber and petroleum products are dependent on various environmental factors. Even as the Company continues to pursue cost control measures, any unforeseen or sudden spike in cost of these items could impact the profitability of the Company to the extent that customer price pass through terms are not available. For JMT Auto, increase in the price of raw materials, especially steel, are passed through so there is a limited impact on our profitability.

**Global Competition:** With the integration of global automobile supply chains, the automobile components industry has become increasingly competitive with OEMs continuously scanning the market for lower prices and better terms. Even as the Company enjoys strong and long standing relationship with many global OEMs, it continues to invest in newer products and better quality control.

**Financial Risk:** Any change in interest rates, foreign exchange rates and commodity prices can potentially impact the financial performance of the Company.

**Technological Changes:** The business environment is evolving at a rapid pace. The changing technologies have led to a shortening of the life cycle of new vehicles. Additional challenges include supply constraints from Tier II suppliers, sustenance of operating cost efficiency gains and capacity expansions in the context of rapidly changing consumer demand preferences. The Company continues to invest in new technologies and capacities to address such risks. In addition, our focus on rationalisation both in terms of size and functions, enables us to continue to complement the manufacturing excellence programs that are being developed.

**Risk Management :** Strategic, operating and financial business risks are reviewed by the Audit Committee and the Board on a regular basis. In addition to the above risks, the committee monitors any potential new risks that may arise due to changes in the external environment. While the possibility of a negative impact due to one or more of such risks cannot be totally avoided, the Company proactively takes reasonable steps to pre-empt and mitigate these.

## **5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an elaborate internal control system which monitors compliance to internal processes. It ensures that all transactions are authorised, recorded and reported correctly. The systems are routinely tested and certified by Statutory as well as Internal Auditors and cover all offices, plant facilities and key areas of business. The Internal Auditors independently

evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms.

To further strengthen the internal control process, the Audit Committee has documented control procedures covering all aspects of key financial and operating functions. The Company's internal control systems provide for:

- Adherence to applicable accounting standards and policies
- Accurate recording of transactions with internal checks, prompt reporting and timely action
- Compliance with applicable statutes, policies, listing requirements and management policies and procedures
- Review of capital investments and long term business plans
- Periodic review meetings to guide optimum utilisation of resources
- Effective use of resources and safeguarding of assets

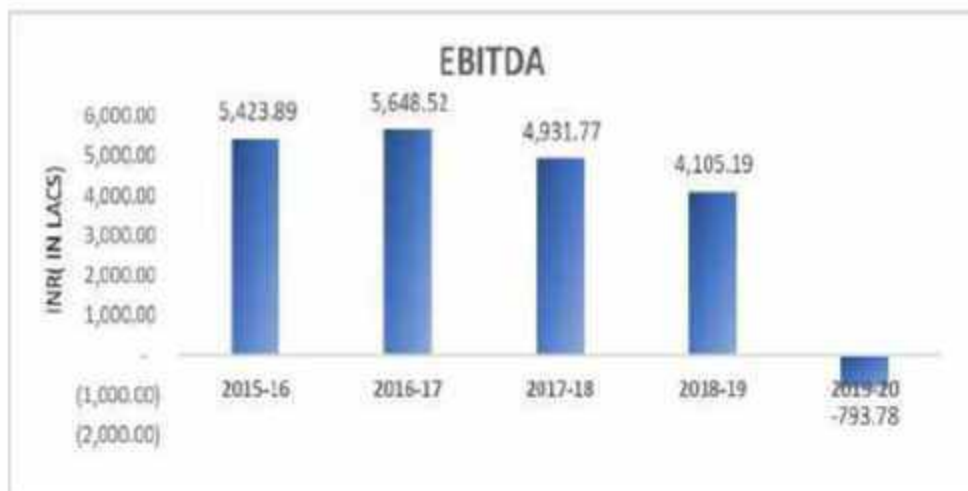
The Audit Committee reviews the effectiveness of internal control systems, and also provides timely updates on operating effectiveness and controls to senior management team. A CEO and CFO Certificate, forming part of the Corporate Governance Report, confirms the existence and effectiveness of internal controls and reiterates their responsibilities to report deficiencies to the Audit Committee and rectify the same.

Our auditors carry out periodic audits as per an agreed internal audit programme. They bring to the notice of management, issues which require their attention and also highlight the severity of the issue. Corrective actions are then set in place. The internal auditors report is reviewed by the Audit Committee and placed before the Board of Directors for their consideration.

## **9.1 DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

During the year under review, the Company's consolidated revenue from operations was Rs 350.63 Cr in comparison to previous year revenue of Rs 577.59 Cr. During the year under review Company's Profit after Tax (PAT) from discontinued operations of international subsidiaries was NIL which was NIL during the previous year ended 31st Mar 2019. Consolidated profit/loss after tax for the year ended 31st Mar 2020 was (Rs -83.36 Cr) (including NIL loss from international subsidiaries) as against Rs -13.14 Cr (including profit of Rs NIL from international subsidiaries) during the previous year ended 31st Mar 2019.

JMT's business operations has been consistently moving upwards, except during this financial year when the overall slow down in the Auto Industry has had its impact on its sales. However JMT is working on plans and strategies to bounce back once the COVID-19 pandemic is controlled.



### **1. FINANCIAL CONDITION**

JMT Auto monitors its financial position regularly and deploys a robust cash management system. The Company has also been able to arrange adequate liquidity at an optimum cost to meet its business and liquidity requirements. The Company would like to thank the financial institutions, shareholders and other stakeholders for their continuous support.

### **2. HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

During the year, the Company delivered value to its customers and investors. This was made possible by the relentless efforts of each and every employee. The Company has developed a robust and diverse talent pipeline which enhances JMT Auto's organisational capabilities for future readiness, further driving greater employee engagement. Our human resource program is focused on attracting the right talent, providing excellent on the job training opportunities, and finally giving them the growth opportunities consistent with their aspirations.

JMT Auto has always enjoyed strong industrial relations. The Company has a systematic grievance redressal system to further strengthen these relationships. This system encourages employees to share their views and opinion with the management. The Company reflects on this feedback and incorporates relevant changes into the existing policies, systems and processes.

### **3. STATUTORY COMPLIANCE**

The Whole Time Director makes a declaration to the Board of Directors every quarter regarding compliance with provisions of various statutes as applicable. The Company Secretary ensures compliance with the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and compliance with the guidelines on insider trading for prevention of the same.





#### **4. CAUTION STATEMENT**

The above mentioned statements are only 'forward looking statements' based on certain assumptions and expectations. The Company's actual performance could differ materially from those expressed/projected depending upon changes in various factors. The Company does not assume any responsibility to any change(s) in forward looking statements', on the basis of subsequent developments, information or events etc. Data, figures and statements are from publicly shared reports and opinions of experts and Automotive and Auto-component associations and organizations.

Important developments that could affect the Company's operations include a downward trend in the domestic automotive industry, competition, rise in input costs, exchange rate fluctuations, and significant changes in the political and economic environment in India, environmental standards, tax laws, litigation and labour relations.

**BY ORDER OF THE BOARD**  
**for JMT AUTO LIMITED**

**Date : 03-09-2020**  
**Place: New Delhi**

**Sd/-**  
**(Sanjay Tikku)**  
**CEO & Whole Time Director**  
**(DIN NO - 00300566)**

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2019-20

The Company has been following high standards of Corporate Governance Principles, Policies and Practices over the years.

### I. JMT'S GOVERNANCE POLICY :

The company's philosophy on corporate governance is marked by the following fundamental principles:

Ethical and Disciplined Corporate Behavior.

Independent and Considered Judgment.

Parity between Accountability and Responsibility.

Transparency and effective and Adequated is closures.

The company believes that all its operations and actions must serve the under lying goal of enhancing over all enterprise value and safeguarding the shareholders' trust. In our commitment to practice sound governance principles, we are guided by the following core principles:-

1. Code of Conduct and Ethics for Directors and Senior Management
2. Improving Quality and Frequency of Information Flow to the Board, Audit Committee to enable them to discharge their functions effectively.
3. A Sound System of Risk Management and Internal Control
4. Transparency and Accountability.
5. Compliance with all Rules and Regulations.
6. Sound policy on prevention of Insider Trading.



In view of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company continuously strives to follow the procedure of Corporate Governance for ensuring and protecting the rights of its shareholders by means of transparency, integrity, accountability, trusteeship and checks at the different levels of the management of the Company.

## **I. BOARD OF DIRECTORS**

The Board of Directors (the "Board") of the Company is committed to best governance practices in the Company to ensure sustainability and long-term value. The Board plays a major role in overseeing how the management serves the short term and long-term interests of shareholders and other stakeholders. The Board, along with its Committees, provides leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company.

- a. As on March 31, 2020, the Company has six directors. Of the six directors, five (i.e. 83.33%) are non-executive directors which includes two (i.e. 33.33%) independent directors. The composition of the board is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b. None of the directors on the board hold directorships in more than seven public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2020 have been made by the directors.
- c. Independent directors are Independent in terms of Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR) Regulations. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as required by SEBI Regulations and Section 149 of the Companies Act, 2013.
- d. The names and categories of the directors on the board, their attendance at board meetings held during the year and the number of directorships and committee chairmanships / memberships held by them in other public companies as on March 31, 2020 are given herein below.
- e. Other directorships do not include directorships of private limited companies, Section 8 companies and of companies incorporated outside India. Chairmanships / memberships of board committees shall include only audit committee and stakeholders' relationship committee.
- f. During the year 2019-20, separate meeting of the Independent Directors was held on 10<sup>th</sup> February, 2020.
- g. The terms and conditions of appointment of the independent directors are disclosed on the website of the Company.
- h. The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company.



## BOARD COMPOSITION

The Company's policy is to maintain an optimum combination of Executive & Non-executive directors and in conformity with SEBI Listing Regulations.

The Composition of the Board as on March 31, 2020 was as under :

Promoter	Executive	Non-Executive	Independent
Aditya Malhotra	Sanjay Tiku	John Ernest Flintham	Kanika Kapur
Gautam Malhotra			Vivek Malik

## BOARD MEETINGS HELD

The Company's Corporate Governance Policy requires the Board to meet at least four times in a year. The Board met 4 (four times) on the following dates during the Financial Year 2019-20.

4th June, 2019    14th August, 2019    18th November, 2019    10th February, 2020.

The intervening period between two Board meetings was well within the maximum time gap of four months prescribed under SEBI Listing Regulations. The necessary quorum was present for all the meetings.

A separate meeting of the independent Directors was held on 10th February, 2020.

## BOARD AGENDA AND INFORMATION GIVEN TO THE BOARD

The annual calendar of meetings is agreed upon at the beginning of each year. Meetings are governed by a structured agenda. The Board members in consultation with the chairman may bring up any matter for the consideration of the Board. All major issues included in the agenda are backed by comprehensive background information to enable the Board to take informed decisions.

The notices for the Board Meetings are communicated to the Directors well in advance. Additional meetings of the Board are held when deemed necessary. Board members are given agenda papers along with necessary documents and information in advance of each meeting of the Board and Committee(s). However, in case of business exigencies or urgencies, few resolutions are passed by way of circulation and if required same is supported by an audio call to explain the rationale.

The Board periodically reviews compliance reports with respect to laws and regulations applicable to the Company. The recommendations of the Committees are placed before the Board for necessary approvals.

The information as enumerated in Part A of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is made available to the Board of Directors for discussions and considerations.

Composition of the Board of Directors of the Company and Directorship(s) in other Companies, Committee Membership(s)/Chairmanship(s) as on March 31, 2020, and number of meetings held during their tenure and attended by them etc. are given as under :

Name of the Director	Designation	Status & Category	Board Meetings 2019-20		Attendance at last AGM	No. of Directorship in other Public Companies
			Held	Attended		
Sanjay Chhabra	Chairman	Independent, Non-Executive	04	03	Yes	4
Sanjay Tiku	Whole-Time Director	Executive	04	04	Yes	3
Aditya Malhotra	Director	Non-Executive	04	02	No	2
Gautam Malhotra	Director	Non-Executive	04	04	No	1
John E Flinham	Director	Non-Executive	04	03	No	3
Anuradha Kapur	Director	Independent, Non-Executive	04	02	No	6
Kanika Kapur	Director	Independent, Non-Executive	04	01	No	4

**Notes :**

- Ms. Anuradha Kapur, woman Director (Independent category) resigned from the Board, on 18<sup>th</sup> October, 2019 and Ms. Kanika Kapur was appointed as the Independent Director by the Board to fill the casual vacancy.
- Mr. Sanjay Chhabra, Independent director resigned from the Board on 18<sup>th</sup> June, 2020 and Mr. Vivek Malik was appointed as the Independent Director by the Board to fill the casual vacancy on 7<sup>th</sup> August, 2020.
- None of the Directors hold the office of director in more than the permissible number of companies under the Companies Act, 2013 or Regulation 25 and 26 of the SEBI Listing Regulations, 2015
- Video/tele-conferencing facilities were facilitated to Directors travelling in India or abroad for participation in the meeting on requirement basis.

**BOARD INDEPENDENCE**

Based on confirmations/disclosure received from the Directors 3 out of 6 Directors on Board are Independent in terms of Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (LODR) Regulations. There are no material pecuniary relationships or transactions between the Independent Directors and the Company, except for sitting fees drawn by them for attending the meeting of the Board and Committee(s) thereof. None of the Directors hold any shares or convertible instruments in the Company.

## SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year 2019-20, a separate meeting of the Independent Directors was held on 10<sup>th</sup> February, 2020 to discuss inter alia:

- The performance of the Chairperson of the Company, taking into account the views of Executive and Non-Executive Directors;
- The performance of the Non-Independent Directors and the Board as a whole;
- The quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## Board Familiarization and Induction Program

The Company has adopted a well-structured induction policy for orientation and training of the Non-Executive Directors to provide them with an opportunity to familiarize themselves with the Company, its management, its operations and the industry in which the Company operates. The induction program includes one-to-one interactive sessions with the Executive Directors, Senior Management including the Business CEOs and also includes visit to Company and its subsidiaries plant sites and locations.

## I. COMMITTEES OF THE BOARD

In accordance with SEBI Listing Regulations, the Board of Directors has constituted the following committee so fthe Board. The Board determines the terms of reference of the Board Committees from time to time. The respective Committee Chairman convenes meetings of the Board Committees. Minutes of the Committee meetings are placed before the Board for perusal and noting. The quorum for meetings of all the Committees is either two members or one-third of the members of the Committees, which ever is higher. Each committee has the authority to engage outside experts, advisers, and counsel to the extent it considers appropriate to assist it in its work.

### AUDIT COMMITTEE

The role of the Audit Committee has been strengthened and all major changes in financial policies are reviewed or approved by this Committee.

### COMPOSITION

The audit committee of the Company is constituted in line with the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and amendments thereon and the Agreements entered into with the stock exchanges read with Section 177 of the Act, comprising the following directors:

Composition of Audit Committee as on 31 March, 2020.

Name of Director	Category	Designation in Committee
Sanjay Chhabra	Non-Executive Independent Director	Chairperson
Kanika Kapur	Non-Executive Independent Director	Member
Gautam Malhotra	Non-Executive Director	Member



**Composition of Audit Committee Reconstituted as on 7 August, 2020**

<b>Name of Director</b>	<b>Category</b>	<b>Designation in Committee</b>
Vivek Malik	Non-Executive Independent Director	Chairperson
Kanika Kapur	Non-Executive Independent Director	Member
Sanjay Tiku	Non-Executive Director	Member

All the members of the Audit Committee are financially literate. Mr. Sanjay Chhabra, Non-Executive Independent Director of the Company who was the Chairperson of the Audit Committee till 31<sup>st</sup> March, 2020 is a Financial Expert. The current Chairperson Mr. Vivek Malik is also a financial expert. The Finance Head attends the meeting of Audit Committee and the Company Secretary acts as the Secretary to the Audit Committee. The Committee also invites the Statutory Auditors, as it considers it appropriate to have their presence at the meeting of the committee. The terms of reference of Audit Committee are quite comprehensive and include all that is mandated under SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013. The Chairperson of the erstwhile Audit Committee was present at the last Annual General Meeting to answer shareholders queries.

**TERMS OF REFERENCE**

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings



- e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  8. Approval or any subsequent modification of transactions of the company with related parties;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the company, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. Discussion with internal auditors of any significant findings and follow up there on;
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. To review the functioning of the Whistle Blower mechanism;
  19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other

person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

21. To mandatorily review the following information:

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- iii. Management letters/letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal audit reports relating to internal control weaknesses; and
- v. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

22. The audit committee invites executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings. The Company Secretary acts as the secretary to the audit committee.

#### **AUDIT COMMITTEE MEETINGS AND ATTENDANCE**

The Audit Committee met 4 (four times) on the following dates during the Financial Year 2019-20.

4th June, 2019	14th August, 2019
18th November, 2019	10th February, 2020

The Attendance of each member of the committee is given below.

<b>Members</b>	<b>Category of Director</b>	<b>No. of Meetings Attended</b>
Mr. Sanjay Chhabra	Non-Executive Independent Director	<b>03</b>
Ms. Anuradha Kapur*	Non-Executive Independent Director	<b>03</b>
Ms. Kanika Kapur	Non-Executive Independent Director	<b>01</b>
Mr. Gautam Malhotra	Non-Executive Director	<b>04</b>

\*Ms. Anuradha Kapur resigned on 18<sup>th</sup> October, 2019 and Ms. Kanika Kapur was appointed in her place as the Independent Director and member of Audit Committee.

Apart from the members of the Committee, the Audit Committee meetings were attended by the CFO and Company Secretary attended the meetings as the Secretary to the Committee.



## NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of SEBI (LODR) Regulations, 2015 read with Section 177 of the Act, comprising the following directors:

Composition of NRC Committee as on 31 March, 2020

Name of Director	Category	Designation in Committee
Kanika Kapur	Non-Executive Independent Director	Chairperson
Sanjay Chhabra	Non-Executive Independent Director	Member
Aditya Malhotra	Non-Executive Director	Member
Gautam Malhotra	Non-Executive Director	Member

Composition of NRC Committee Reconstituted as on 7 August, 2020

Name of Director	Category	Designation in Committee
Kanika Kapur	Non-Executive Independent Director	Chairperson
Vivek Malik	Non-Executive Independent Director	Member
John E Flintham	Non-Executive Director	Member

## TERMS OF REFERENCE

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report;
- Carry out evaluation of every director's performance and support the board and independent directors in evaluation of the performance of the board, its committees and individual directors;
- Recommend to the board the remuneration policy for directors, executive team or key managerial personnel as well as the rest of the employees.

## MEETINGS AND ATTENDANCE

One meeting of the Nomination & Remuneration Committee was held during the year on 10<sup>th</sup> February, 2020. The Attendance of each member of the committee is given below.

Members	Category of Director	No. of Meetings Attended
Ms.Kanika Kapur	Non-Executive Independent Director	01
Mr.Sanjay Chhabra	Non-Executive Independent Director	00
Mr.Aditya Malhotra	Non-Executive Director	01
Mr. Gautam Malhotra	Non-Executive Director	01

## REMUNERATION TO DIRECTORS

### DETAILS OF REMUNERATION PAID TO ALL DIRECTORS IN THE FINANCIAL YEAR 2019-20.

DIRECTOR	SITTING FEES	SALARY & PERQUISITES	TOTAL (Rs.)
Mr. Sanjay Tiku, Whole time Director	N.A	55,33,000	55,33,000
Mr. Aditya Malhotra, Non-Executive Director	NIL	NIL	NIL
Mr.Gautam Malhotra, Non-Executive Director	NIL	NIL	NIL
Mr. John E Flinham, Non-Executive Director	NIL	NIL	NIL
Mr. Sanjay Chhabra, Independent Director	75,000	NIL	75,000
Ms. Anuradha Kapur, Independent Director	75,000	NIL	75,000
<b>GRAND TOTAL</b>	<b>1,50,000</b>	<b>55,33,000</b>	<b>56,83,000</b>

There are no stock options available/issued to any of the Promoter-Directors of the Company and this does not form apart of their contract with the Company. The erstwhile Non-Executive Independent Directors of the Company namely Sanjay Chhabra, Anuradha Kapur held NIL shares of the company as on 31.03.2020.

## STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee comprises of three Directors and Company Secretary of the Company for managing effective Investor relationship and timely grievance redressal.

Composition of NRC Committee as on 31 March, 2020

Name of Director	Category	Designation in Committee
Aditya Malhotra	Non-Executive Director	Chairperson
Sanjay Chhabra	Non-Executive Independent Director	Member
Sanjay Tiku	Executive, Whole-Time Director	Member

**Composition of NRC Committee Reconstituted as on 7 August, 2020**

Name of Director	Category	Designation in Committee
Sanjay Tiku	Executive, Whole-Time Director	Chairperson
Kanika Kapur	Non-Executive Independent Director	Member
Vivek Malik	Non-Executive Independent Director	Member

Mr. Aditya Malhotra, Non-Executive Director of the company was the Chairperson of the Committee as on 31<sup>st</sup> March, 2020 and from 7<sup>th</sup> August, 2020 Mr. Sanjay Tiku, whole-time Director of the Company has been appointed as the Chairperson of the Committee. The Committee inter alia approves transfer, transmission, dematerialization, issue of duplicate certificates and over sees and reviews all matters connected with maintaining proper relationship with the share-holders of the Company. The Committee also looks into redressal of shareholders' complaints related to transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend etc. The Committee over sees performance of the Registrar and Share Transfer Agents of the Company and recommends measures for over all improvement in the quality of investor services.

The Committee also monitors the implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading Regulations), 2015. The Board has delegated the power of approving transfer of securities to the Managing Director and the Company Secretary.

## **COMPLIANCE OFFICER**

During the financial year 2019-20, Ms. Mona K Bahadur was the Compliance Officer for complying with the requirements of the Companies Act, 2013, SEBI (Prohibition of Insider trading) Regulations, 2015 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereon.



**STATUS OF COMPLAINTS FOR THE PERIOD 2019-20.**

1.	Number of complaints received from the investors comprising of Non-receipt of Dividend Warrants, Non-Receipt of Securities sent for transfer/transmission, Complaints received from SEBI etc.	NIL
2.	Number of General Queries/Change of Address/Dividend Related Queries/ Share Certificate related queries etc	26
3.	Number of complaints/queries resolved	26
4.	Number of complaints not resolved to the satisfaction of the investors as on 31 <sup>st</sup> March, 2020	Nil
5.	Complaints Pending as on 31 <sup>st</sup> March, 2020	Nil
6.	Number of share transfer pending for approval as on 31 <sup>st</sup> March, 2020	Nil

During the year ended 31<sup>st</sup> March, 2020, the Stakeholders Relationship Committee held 4(Four) meetings on -4<sup>th</sup> April, 2019, 14<sup>th</sup> August, 2019, 18<sup>th</sup> November, 2019, 10<sup>th</sup> February, 2020 and the transfers and other requests of the security holders were duly discussed and approved by the members of the committee.

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Company's Corporate Social Responsibility (CSR) Committee comprises three (3) members including one (1) Independent Director, one (1) Non-executive and (1) Executive Director. The broad terms of reference of the CSR Committee are as follows:

To formulate and recommend to the Board the CSR Policy and activities to be undertaken by the Company in this regard and to monitor the same from time to time;

Recommending the amount of expenditure to be incurred on CSR activities of the Company;

Reviewing the performance of the Company in the area of CSR;

Guidance on the impact of business activities on environment and society; and

Monitoring the implementation of the CSR projects or activities undertaken by the Company.

**GENERAL BODY MEETINGS**

Location, date and time of the Annual General Meetings held during the preceding 3 financial years and the Special Resolutions passed there at areas follows:-

YEAR	DATE	LOCATION	Special Resolutions Passed
2016-17	30.09.2017	Mapple Emerald, NH8, Rajokri, New Delhi-110038	None
2017-18	27.09.2018	Mapple Emerald, NH8, Rajokri, New Delhi-110038	None
2018-19	26.09.2019	Mapple Emerald, NH8, Rajokri, New Delhi-110038	None

## POSTAL BALLOT

There was no Postal Ballot held during the year 2019-20. None of the resolutions proposed for the ensuing Annual General Meeting need to be passed by Postal Ballot.

## MEANS OF COMMUNICATION

One of the most important components of Corporate Governance is to communicate with the shareholders through effective means. Being a responsible corporate citizen, the Company supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, the Company, sends Annual Reports, Intimation for dividend payment, Notices related to General Meetings and Postal Ballot by email to those shareholders whose email ids are registered with the Company. They are also sent in hard copies to those shareholders whose email ids are not registered.

The Company publishes, the financial results in two widely circulated newspapers from New Delhi, namely:

**English Newspaper :** Financial Express. **Hindi Newspaper :** Jansatta

Up-to-date financial results, annual reports, shareholding patterns, official news releases, policies and other general information about the Company are available on the Company's website [www.jmtauto.com](http://www.jmtauto.com).

## GENERAL SHAREHOLDERS' INFORMATION

(i) AGM date, Time and Venue	Tuesday, the <b>29<sup>th</sup> September, 2020</b> at <b>11.00 A.M.</b> online through VC/OVAM conducted through CDSL
(ii) As required under clause 49IV(G), particulars of Directors seeking appointment/reappointment are annexed to the notice of the Annual General Meeting to be held on Tuesday, the <b>29<sup>th</sup> September, 2020</b>	
(iii) Financial Year	The Financial year of the company is from April 1 to March 31, each year.
(iv) <b>Key Financial Reporting Dates for the year 2020-21.</b> 1. For the quarter ending June 30, 2020 2. For the quarter ending Sept 30, 2020 3. For the quarter ending Dec 31, 2020 4. For the year ending March 31, 2021	On or before 15.09.2020 (Extended by MCA due to COVID-19 pandemic) On or before 14.11.2020 On or before 14.02.2021 On or before 30.05.2021
(v) Date of Book Closure	The Share Transfer Books and the Register of Members shall remain closed from 23.09.2020 to 29.09.2020 (both days inclusive). Notice to this effect has been sent to all Stock Exchanges where the shares of the company are listed as per the Listing Regulations.

**LISTING ON STOCK EXCHANGE**

<b>A. Bombay Stock Exchange Limited</b> Phiroze Jeejeebhoy Towers Dalal street, Mumbai-400001	<b>B. National Stock Exchange of India Ltd.</b> Exchange Plaza, Bandra-Kurla Complex Bandra East Mumbai-400051
Scrip Code	BSE: JMT Auto-513691 NSE: JMT AUTO LIMITED Series : EQ
International Security Identification No. (ISIN)	INE988E01036

The listing fees for the year 2020-21 have been paid to the above Stock Exchanges in time as per the Listing Agreement.

The Company has paid custodial fees for the year 2020-21 to the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) on the basis of number of beneficial accounts maintained by them as on 31st March, 2020.

**CREDIT RATING**

CREDIT RATING AGENCY	LONGTERM / MEDIUMTERM BANK FACILITIES	SHORT TERM BANK FACILITIES
ICRA	[ICRA]D	[ICRA]D

**MARKET INFORMATION :**
**BOMBAY STOCK EXCHANGE LIMITED**

High, Low (based on closing prices) and average volume and average number of trades during each month in last financial year 2019-20.

MONTH	Bombay Stock Exchange			National Stock Exchange		
	HIGH (Rs.)	LOW (Rs.)	VOLUME OF SHARES TRADED (In Lakhs)	HIGH (Rs.)	LOW (Rs.)	VOLUME OF SHARES TRADED (In Lakhs)
APRIL, 2019	2.87	2.16	6.01	2.80	2.15	28.65
MAY, 2019	2.40	1.86	4.45	2.50	1.85	23.48
JUNE, 2019	2.20	1.53	6.03	2.25	1.55	20.56
JULY, 2019	2.20	1.61	6.68	2.20	1.65	14.26
AUGUST, 2019	1.77	1.18	3.12	1.80	1.15	7.41
SEPTEMBER, 2019	1.44	1.19	3.17	1.50	1.15	6.97
OCTOBER, 2019	1.27	1.09	5.83	1.30	1.10	15.88
NOVEMBER, 2019	1.62	1.10	7.73	1.50	1.10	15.20
DECEMBER, 2019	1.49	1.22	2.12	1.45	1.20	15.53
JANUARY, 2020	1.53	1.23	2.92	1.50	1.20	23.91
FEBRUARY, 2020	1.60	1.12	3.66	1.55	1.15	14.34
MARCH, 2020	1.36	0.83	63.16	1.40	0.85	24.71



## SHARE TRANSFER SYSTEM

98.14% of the equity shares of the Company are in electronic form. Transfers of these shares are done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form the transfer documents can be lodged with the Company or the RTA at the above mentioned addresses.

Shares lodged for transfer at the Registrar's address are normally processed within 15 days, from the date of lodgment, if the documents are clear in all respects. The Committee of the Board and Company Secretary, under the authority of the Board, approves transfers, which are noted at subsequent board meetings. All requests for dematerialization of shares are processed and the confirmation is given to the depositories within 7 days. Grievances received from members and other miscellaneous correspondence regarding change of address, mandates, etc. are processed by the Registrars within 7 days.

Pursuant to Regulation 40(9) of the SEBI (LODR) Regulations, certificate has been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company. Also, pursuant to Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996, certification is done by a Company Secretary-in-Practice regarding timely dematerialisation of the shares of the Company.

## REGISTRAR AND SHARE TRANSFER AGENTS

Members are requested to correspond with the Company's Registrar & Share Transfer Agents for all Share related issues at the given address:-

**CB Management Services Pvt. Ltd.**  
**P-22, Bondel Road, Kolkata-700019**  
**Telephone: 033-40116722/40116726**  
**Fax: (033)22870263 E-mail: rta@cbmsl.com**

## DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2020

The Distribution of Shareholding as on 31<sup>st</sup> March, 2020 is as follows:-

RANGE OF SHARES	SHARES	FOLIOS	%SHARES	%FOLIOS
1-500	1804133	11038	0.36	45.03
501-1000	3262184	3639	0.65	14.85
1001-2000	4394314	2639	0.88	10.77
2001-3000	2941667	1117	0.58	4.55
3001-4000	10176688	2877	2.02	11.74
4001-5000	3311304	685	0.65	2.80
5001-10000	9658964	1260	1.92	5.14
10001-50000	21745706	1076	4.31	4.39
50001-100000	6404363	89	1.27	0.36
AND ABOVE	440132817	91	87.36	0.37
TOTAL	503832140	24511	100.00	100.00

**SHAREHOLDING PATTERN**

 I. Shareholding pattern of the Company as on 31<sup>st</sup> March, 2020

CATEGORY	Number of equity shares held	Percentage of holding
<b>A. PROMOTERS HOLDING</b>		
1. INDIAN		
Individuals/HUF	--	--
Bodies Corporate	336412200	66.77
2. FOREIGN	--	--
Total Shareholding of Promoter & Promoter Group	336412200	66.77
<b>B. PUBLIC SHAREHOLDING</b>		
1. Institutions		
Mutual Funds and UTI	18683	--
Foreign Institutional Investors	36650178	7.27
2. Non-Institutions		
a. Bodies Corporate	37946276	7.53
b. Individuals	--	--
Holding nominal share capital up to Rs. 2 lacs	60705562	12.05
Holding nominal share capital in excess of Rs.2lacs	18378586	3.65
c. Any other		
Non-resident Indians	4581674	0.91
Foreign Bodies Corporate/OCB	4000	0.00
Trust	73130	0.01
Clearing Members	308868	0.06
IEPF	8752983	1.74
<b>Total Public Shareholding</b>	<b>167419940</b>	<b>33.23</b>
<b>GRAND TOTAL</b>	<b>503832140</b>	<b>100.00</b>

**I. Top ten Non-Promoter Equity Shareholders of the Company as on 31<sup>st</sup> March, 2020 :**

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 01.04.2019		Cumulative Shareholding at the end of the year 31.03.2020	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	LTS INVESTMENT FUND LTD	28092267	5.58	28092267	5.58
2	VISTRA ITCL INDIA LIMITED	0	0	25000000	4.96
3	ELARA INDIA OPPORTUNITIES FUND LTD	7331838	1.46	7331838	1.46
4	ASHOK MITTAL	3127652	0.62	3127652	0.62
5	AARKEN ADVISORS PVT. LTD.	2207270	0.44	2207270	0.44
6	SIDDHARTH BASSI	2418931	0.48	2518931	0.50
7	ARUNIMA MITTAL	1632000	0.32	1632000	0.32
8	SUPREET RATNAKAR PRABHU	1488053	0.30	0	0
9	NIKHIL NANDA	1412471	0.28	1412471	0.28
10	ANOOP JAIN	1369256	0.27	0	0
11	EIGHT CAPITAL INDIA RECOVERY FUND Ltd	1226073	0.24	1226073	0.24
12	ALWIN ASHOK ALVA	1078051	0.21	1216618	0.24

**DEMATERIALISATION OF SHARES AND LIQUIDITY.**

The share of the Company are compulsorily traded in dematerialized form as per SEBI guidelines with effect from 25th January, 2002.

The Company's shares are traded in the depository systems of both NSDL and CDSL.

As on 31st March, 2020, 98.14 % of the equity capital exists in dematerialized form. The equity shares of the Company are actively traded on Bombay Stock Exchange and National Stock Exchange.

As on 31.03.2020 the shares are held in NSDL, CDSL and Physical mode of M/s JMT Auto Limited, as under:-

Category / Head	No. of Shares	%age
NSDL	466337537	92.56
CDSL	28122491	5.58
Physical	9372112	1.86
<b>Total</b>	<b>503832140</b>	<b>100.00</b>



## PLANT'S LOCATIONS

The Company has the following manufacturing and operating divisions:

Sl.No.	Work Unit Description	Location/Address
(i)	Works (Unit-I)	A-20,Phase-1 Industrial Area, Adityapur, Jamshedpur-832109
(ii)	Works (Unit II& III)	C-19&20,D-2-3,D-8-12,NS-29-34,7 <sup>th</sup> Phase, Industrial Area, Adityapur, Jamshedpur-832109
(iii)	Work Unit-IV(Foundry)	Notandih ,Kandra Chauka Main Road, Dist: Seraikela, Kharsawan
(iv)	Works Unit-V(Forging)	A-45,A-46,A-47,A-48(P)& M-2 At Large Sector, Gamharia,
(v)	Works(Unit-VI)	NS-57,7 <sup>th</sup> PHASE, Industrial Area, Adityapur, Jamshedpur-832109
(vi)	Works(Unit-VII) Lucknow	Village-Naubasta, Kalan, Lucknow, On Line Mark (Devato Naubasta Marg) Uttar Pradesh
(vii)	Works(Unit-VIII) (Dharwad)	1. PlotNo.222,KIADB,Belur Industrial Growth Centre Dharwad-580011, Karnataka
		2. PlotNo.224-A,KIADB, Belur Industrial Growth Centre, Dharwad-580011, Karnataka
		3. Block No.2,KIADB,BelurIndustrial Estate, Garag Road, Mummigatti, Dharwad-580007, Karnataka

## TRANSFER OF UNPAID / UNCLAIMED AMOUNTS TO INVEST OR EDUCATION AND PROTECTION FUND

Pursuant to sections 123 to 125 of the Companies Act, 2013 and other applicable provisions, if any, of the Act, all unclaimed / unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, as applicable, remaining unclaimed / unpaid for a period of seven years from the date they became due for payment, in relation to the Company, have been transferred to the IEPF established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred prior to March 31, 2020, nor shall any payment be made in respect of such claims.

The last date for claiming the unpaid dividend for the final dividend for the financial year 2012-13 has ended on 15<sup>th</sup> July, 2020, as informed in the Annual Report of 2018-19. There was no dividend declared for the financial years 2013-14 onwards by the Company hence there shall be no provision for making any claims by members to the Company for any unpaid dividend.

Any person, whose shares, unclaimed dividend has been transferred to the Fund, may claim the shares from the Authority by making an application in Form IEPF 5 online available on website [www.iepf.gov.in](http://www.iepf.gov.in) along with the fee, as decided by the Authority from time to time in consultation with the Central Government.

The following table gives information relating to dates of declaration of dividends during last seven years and the dates by which the unclaimed dividends can be claimed by the shareholders:

Financial Year	Date of declaration of dividend	Last date for claiming unpaid dividend
2011-12	2 <sup>nd</sup> July, 2012	1 <sup>st</sup> July, 2019
2012-13	16 <sup>th</sup> July, 2013	15 <sup>th</sup> July, 2020
2013-14	NA	NA
2014-15	NA	NA
2015-16	NA	NA
2016-17	NA	NA
2017-18	NA	NA

For any query related to the matter members may contact:

#### INVESTORS' CORRESPONDENCE

Transfer of shares and communication regarding share certificates, dividends and change of address and any other queries relating to the shares of the Company.	<b>(i) Company-Secretary</b> <b>JMT AUTO LIMITED</b> C-19 & 20, 7 <sup>th</sup> Phase, Industrial Area Adityapur, Jamshedpur-832109 Phone No.: (0657) 6626340 Fax : (0657) 2200749 E-mail : <a href="mailto:mona.bahadur@jmtauto.com">mona.bahadur@jmtauto.com</a> <a href="mailto:jmt.auto@jmtauto.com">jmt.auto@jmtauto.com</a>
	<b>(ii) Registrar &amp; Share Transfer Agent</b> <b>CB Management Services Pvt.Ltd.</b> P-22, Bondel Road, Kolkata-700019 Phone.: (033) 40116700 Fax : (033) 22870263 E-mail : <a href="mailto:rta@cbmsl.com">rta@cbmsl.com</a>

## **RECONCILIATION OF SHARE CAPITAL**

The Securities and Exchange Board of India has directed vide circular no. D&CC/FITTC/CIR-16/2002 dated December 31, 2002 that all issue companies shall submit a certificate of capital integrity, reconciling the total shares held in both the depositories viz. NSDL and CDSL and in physical form with the total issued/paid up capital.

In compliance with this requirement, the company has submitted a certificate duly certified by a qualified practicing company secretary, to the stock exchanges where securities of the company are listed within 30 days of the end of each quarter and the certificates were also placed before the Board of Directors of the company from time to time.

## **SECRETARIAL AUDIT**

For the Financial Year 2019-20, Secretarial Audit was carried out by M/s V Hari & Company, Company Secretaries. The report of said Secretarial Audit forms a part of this Annual Report.

## **COMPLIANCE CERTIFICATE OF THE AUDITORS**

Certificate from the Statutory Auditors of the Company M/s Raj Gupta & Company confirming compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations is annexed here to and forms part of the Annual Report.

## **DISCLOSURES**

### **SUBSIDIARY COMPANIES**

As per clause (c) of sub-regulation (1) of regulation 16 of SEBI Listing Regulations "material subsidiary" shall mean a subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

A policy on Material Subsidiary has been approved by the Board of the Company and the same has been uploaded on the website of the Company and can be accessed at [www.jmtauto.com](http://www.jmtauto.com)

As on March 31, 2020, there is no material unlisted subsidiary of the Company.

The subsidiary companies are managed by their separate Board of Directors, who are empowered to exercise all the duties and rights for efficient monitoring and management of the companies. The Company oversees and monitors the performance of subsidiary companies by following means:



- i. The Audit Committee reviews the financial statements and, in particular the investments made by the subsidiary companies.
- ii. The minutes of the Board Meeting of the subsidiary companies are placed before the Board of Directors of the Company for their review.
- iii. A statement of all significant transactions of the subsidiary companies is placed before the Board of Directors of the Company for its review.

### **MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS**

As per Section 188 of The Companies Act 2013 and Regulation 23 of SEBI Listing Regulations, all the Related Party transactions were at arm's length price and the same were duly approved by the Audit Committee.

Sub-regulation (1) of Regulation 23 of SEBI Listing Regulations explains that "A transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity."

A policy on Related Party Transactions has been approved by the Board of the Company and the same has been uploaded on the website of the Company and can be accessed at [www.jmtauto.com](http://www.jmtauto.com).

A comprehensive list of related party transactions as required under Accounting Standards (AS) 18 issued by Institute of Chartered Accountants of India (ICAI), forms part of Note no. 37 of the Financial Statements in the Annual Report.

### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Whistle Blower Policy has been formulated as an extension of the Company's Code of Conduct and is aimed at providing a vigil mechanism for reporting of unethical behaviour, malpractices and fraud in the day to day dealings by the employees and directors of the Company.

Whistle Blower Policy duly adopted by the Board, has been uploaded on the website of the Company and can be accessed at [www.jmtauto.com](http://www.jmtauto.com).

The Company has made all disclosures regarding compliance with corporate governance requirements specified in regulation 17 to 27 and has disseminated required information on its website in compliance with regulation 46 of SEBI Listing Regulations.

**CODE OF CONDUCT**

The Code of Conduct which has been formulated and implemented for all Board members and Senior Management of the company is in compliance with the Listing Regulations. All Board members and senior management personnel has affirmed compliance of the "Code of Conduct for members of the Board and Senior Management" for the period in terms of SEBI (LODR) Regulations, 2015.

A declaration signed by the CEO & Whole Time Director is given below : I hereby confirm that :

The Company has obtained affirmation from all the members of the Board and Senior Management that they have complied with the Code of Business Conduct and ethics for Directors and Senior Management in respect of the financial year 2019-20.

**By order of the Board of Directors**

**For JMT AUTO LIMITED**

Sd/-

**Place: New Delhi**

**Mona K Bahadur**

**Date : 03.09.2020**

**Company Secretary & Compliance Officer**

## **Independent Auditor's Certificate on Compliance with Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**To**

**The Members of JMT Auto Limited,**

1. This report contains details of compliance of conditions of corporate governance by JMT AUTO Limited ('the Company') for the year ended 31 March, 2020 as stipulated in regulations 17-27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges.

### **Management's Responsibility**

2. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

### **Auditor's Responsibility**

3. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March, 2020.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### **Opinion**

7. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.



8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Restriction on use**

9. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For Raj Gupta & Co**  
Chartered Accountants  
Firm's registration number: 000203N

**Sd/-**  
Abhishek Gupta  
[Partner]  
**Membership Number: 530433**

**Place : New Delhi**

**Dated : 11 August, 2020**

## **CERTIFICATION BY CEO & CFO OF THE COMPANY**

To,  
The Board of Directors  
JMT Auto Limited,  
3 LSC, Pamposh Enclave,  
Guru Nanak Market, Opp LSC Market,  
New Delhi – 110 048

Dear Sirs,

We, Sanjay Tiku, CEO & Whole Time Director and Sandeep Singh Surya, CFO, certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2020 and to the best of our knowledge, belief and information:
  - i) These statements do not contain any materially untrue statements or omit any material facts or contain statements that might be misleading.
  - ii) These statements together present a true and fair view of the company's affairs and a reincompliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge, belief and information no transactions entered into by the Company during the financial year 2019-20 are fraudulent, illegal or inviolation of the Company's code of conduct.
- (c) We accept the responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and that We have disclosed to the auditors and Audit Committee, deficiencies in the design or operation of internal controls, which we are aware and we have taken and propose to take requisite steps to rectify the deficiencies, if any.
- (d) We have indicated to the auditors and the Audit Committee:
  - i. Significant changes in the internal control during the year
  - ii. Significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (e) We have not come across any instances of significant fraud committed by the management or an employee having significant role in the Company's internal control system.

We further declare that all the Board members and senior management personnel have affirmed compliance of Code of Conduct for the year 2019-20.

**For JMT AUTO LIMITED**

Place : New Delhi  
Date : 03.09.2020

Sd/-  
**SandeepSinghSurya**  
CFO

Sd/-  
**Sanjay Tiku**  
CEO&WholeTimeDirector  
DIN-00300566



**Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2020.**

To

The Board of Directors JMT AUTO LIMITED

We, the Statutory Auditors, of the Company have audited and reviewed the accompanying statement of Standalone audited financial results of M/s JMT AUTO LIMITED for the financial year ended 31st March, 2020 being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. We report that the figures for the quarter ended March 31, 2020 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2020 and the published year-to-date figures up to December 31, 2019, being the date of the end of the third quarter of the current financial year, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

This Statement, which is the responsibility of the company's management, which has been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ("the Act") and published year to date figures up to the end of third quarter of the financial year prepared in accordance with recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting, specified under section 133 of the Act, and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016. Our responsibility is to express an opinion on the Statements based on our audit of such Standalone Ind AS financial statements made by the management and our review of Standalone financial results for the nine-months period ended December 31, 2019.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of the Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the statement that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the statement.





### **Basis of qualified Opinion**

- a) As per "Indian Accounting Standard 109", Trade receivables & loan & advances are subject to confirmation/reconciliation and some of them are long outstanding. Accordingly we are unable to comment upon the recoverability of the same Impact and its consequential impact on the financial statement.

### **Qualified opinion**

In our opinion and to best of our information and according to the explanations given to us, the statement:

- b) Is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
- c) Gives a true and fair view except for the matters described in Basis for qualified opinion as given herein above, in conformity with the aforesaid Indian Accounting Standards.

### **RAJ GUPTA & CO.**

#### **Chartered Accountants**

**Head Off : 3049/1 SECTOR 38-D**

Chandigarh, 160036

(0161)2430089, 9815643637

**Admin off : 549/10, Sutlej Tower**  
Near Fountain Chowk,  
Civil Lines, Ludhiana-141001

**Delhi office : 1-203, Ashok Vihar,**  
Phase-1, New Delhi-110052  
E-mail: carajguptaco@gmail.com  
www.carajguptaco.com

### **Emphasis of matter-**

#### **We draw attention to the Following:**

- a) We have relied upon the report of external agency for inventory verification.
- b) No balance confirmation/statement and current status from axis bank is available as certain payments are delayed. Hence the bank balance is subject to confirmation. However, provision for interest has been considered in the books of accounts as on 31.03.2020
- c) Trade payables are subject to confirmation/ reconciliation.

PLACE: NEW DELHI DATED: 11.08.2020  
UDIN- 20530433AAAABM4253

For Raj Gupta & Co.  
CHARTERED ACCOUNTANTS

  
Abhishek Gupta  
Partner  
Membership No. 530433



**STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2020**

(Rupees in Lakhs)

Particulars	Notes	As at 31.03.2020	As at 31.03.2019
<b>(A) ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3	11,235.56	12,000.10
(b) Capital work-in-progress	3	10.68	128.76
(c) Other intangible assets	3	13.26	28.64
(d) <u>Financial assets</u>			
Investments	4	662.96	706.25
Other financial assets	5	699.96	684.57
(e) Other non-current assets	6	357.07	387.18
<b>Sub total-Non-current assets</b>		<b>12,979.49</b>	<b>13,935.50</b>
<b>2 Current assets</b>			
(a) Inventories	7	12,153.65	13,813.37
(b) <u>Financial assets</u>			
Trade receivables	8	3,291.71	3,442.11
Cash and cash equivalents	9	132.60	173.36
Other financial assets	10	58.94	77.27
(c) Other current assets	11	1,301.82	3,790.92
<b>Sub total current assets</b>		<b>16,938.72</b>	<b>21,297.03</b>
<b>TOTAL-ASSETS</b>		<b>29,918.21</b>	<b>35,232.54</b>
<b>(B) EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	12	5,038.32	5,038.32
(b) Other equity	12	7,157.84	11,692.69
<b>Sub total-Equity</b>		<b>12,196.16</b>	<b>16,731.01</b>
<b>2 Liabilities</b>			
<b>Non-current liabilities</b>			
(a) <u>Financial liabilities</u>			
Borrowings	13	1,239.06	2,724.19
(b) Provisions	14	344.01	239.15
(c) Deferred Tax liability (Net)	15	776.46	1,113.55
<b>Sub total-Non-current liabilities</b>		<b>2,359.53</b>	<b>4,076.89</b>
<b>Current liabilities</b>			
(a) <u>Financial liabilities</u>			
-Borrowings	16	9,173.19	9,082.94
-Trade payables	17	-	-
(i) Total outstanding dues of Micro & small enterprises		-	-
(ii) Total outstanding dues other than Micro & small enterprises		-	2,514.54
2,676.59		-	-
-Other financial liabilities	18	2,113.46	1,678.33
(b) Other current liabilities	19	1,556.71	981.16
(c) Provisions	20	4.62	5.62
<b>Sub total-Current liabilities</b>		<b>15,362.52</b>	<b>14,424.64</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>29,918.21</b>	<b>35,232.54</b>

Significant Accounting Policies & Notes on Financial Statements 1 to 37

For and on Behalf of the Board

As per our report of even date attached

**For Raj Gupta & Company**

Chartered Accountants

ICAI Firm Regd No-000203N

**(Abhishek Gupta)**

(Partner)

M.No. 530433

**Sanjay Tiku**

Director

**Vivek Malik**

Director

Place : New Delhi

Dated : 11th August, 2020

**Sandeep Singh Surya**

Chief Financial Officer

**Mona Bahadur**

Company Secretary



**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020**

(Rupees in Lakhs)

Particulars	Notes	For the Year Ended 31.03.2020	For the Year Ended 31.03.2019
<b>(A) Revenue</b>			
(a) Revenues from operations	21	17,578.98	36,005.10
(b) Other Income	22	600.98	171.50
<b>Total</b>		<b>18,179.96</b>	<b>36,176.60</b>
<b>(B) Expenses</b>			
(a) Cost of Material consumed	23	6,397.57	15,570.04
(b) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	1,400.48	(1,022.03)
(c) Employee benefit expenses	25	2,394.13	2,525.43
(d) Financial expenses	26	1,940.38	1,628.13
(e) Depreciation and Amortization Expenses	27	2,137.78	2,586.86
(f) Other expenses	28	8,725.38	15,328.63
<b>Total</b>		<b>22,996.22</b>	<b>36,617.06</b>
<b>(C) Profit before exceptional items and tax (A-B)</b>		<b>(4816.26)</b>	<b>(440.46)</b>
<b>(D) Exceptional Items [Income/(Expense)]</b>	29	<b>(43.29)</b>	<b>330.67</b>
<b>(E) Profit before tax (C+D)</b>		<b>(4,859.55)</b>	<b>(109.79)</b>
<b>(F) Less: Provision for Tax</b>			
Current tax		-	178.09
Previous Year Income Tax		-	-
Deferred tax		(337.09)	(40.68)
MAT Credit Utilized		-	-
<b>Total</b>		<b>(337.09)</b>	<b>137.41</b>
<b>(G) Profit/(Loss) from continuing operations (E-F)</b>		<b>(4,522.46)</b>	<b>(247.20)</b>
<b>(H) Other Comprehensive Income</b>			
(i) Item that will not be reclassified to profit or loss		(12.39)	(92.23)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	28.78
<b>Other Comprehensive Items(Net of Tax)</b>	30	<b>(12.39)</b>	<b>(63.45)</b>
<b>(I) Total Comprehensive Income/(Loss) for the year (G+H)</b>		<b>(4,534.85)</b>	<b>(310.65)</b>
<b>(Comprising Profit/(Loss) and other comprehensive income for the year)</b>			
<b>Earnings Per Share (For continuing operation) (not annualized)</b>			
a) Basic	31	(0.90)	(0.06)
b) Diluted		(0.90)	(0.06)
<b>Earnings Per Share (For continued and discontinuing operations) (not annualized)</b>			
a) Basic		(0.90)	(0.06)
b) Diluted		(0.90)	(0.06)

**Significant Accounting Policies & Notes on Financial Statements 1 to 37**

**For and on Behalf of the Board**

As per our report of even date attached

**For Raj Gupta & Company**  
Chartered Accountants  
ICAI Firm Regd No-000203N

**(Abhishek Gupta)**  
(Partner)  
M.No. 530433

**Sanjay Tiku**  
Director

**Vivek Malik**  
Director

Place : New Delhi  
Dated : 11th August, 2020

**Sandeep Singh Surya**  
Chief Financial Officer

**Mona Bahadur**  
Company Secretary





**STANDALONE CASH FLOW STATEMENT AS AT 31ST MARCH, 2020**

(Rupees in Lakhs)

Particulars	Notes	For the Year Ended 31.03.2020	For the Year Ended 31.03.2019
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>			
Profit as per Profit & Loss Account (PBT)		(4,859.55)	(109.80)
Add: Depreciation & Amortisation		2,137.78	1,876.19
Add: Financial Expenses		1,940.38	1,628.13
Less: Profit on sales of Property Plant & Equipments		-	(78.03)
Less: Interest Received & Other Income		(51.83)	(58.56)
		<b>(833.22)</b>	<b>3,257.93</b>
<b>Change in Current / Non Current Liabilities:</b>			
(Increase)/Decrease in Inventories		1,659.72	(843.05)
(Increase)/Decrease in Trade Receivables		150.40	1,821.61
(Increase)/Decrease in Other Non- Current Assets		14.72	(177.25)
(Increase)/Decrease in Other Current Assets		2,507.41	1,528.21
(Increase)/Decrease in Trade Payable		(162.05)	(640.09)
Increase/(Decrease) in Current Liabilities		773.81	(445.27)
Increase/(Decrease) in Provisions		135.22	(296.07)
<b>Cash generation from operations activities</b>		<b>4,246.01</b>	<b>4,206.02</b>
Direct Tax Paid		(31.36)	(196.58)
<b>Net cash from operating activities</b>		<b>4,214.65</b>	<b>4,009.44</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>			
Addition to Fixed Assets		(1,360.29)	(888.38)
Adjustment in Capital work in progress		118.08	164.22
Interest Received & Other income		51.83	58.56
Proceed from sale of fixed assets		2.43	87.86
(Purchase) / Sales of investments (Net)		43.28	(0.09)
<b>Net Cash from Investing activities</b>		<b>(1,144.67)</b>	<b>(577.83)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of Equity Share Capital & Share Premium		-	-
(Repayment) / Disbursement of Long Term borrowings and Short Term borrowings		(1,394.88)	(1,740.09)
Finance Charges Paid		(1,715.87)	(1,628.13)
<b>Net Cash from financing activities</b>		<b>(3,110.75)</b>	<b>(3,368.22)</b>
<b>Net cash flows during the year (A+B+C)</b>		<b>(40.76)</b>	<b>63.39</b>
<b>Cash &amp; cash equivalents (opening balance)</b>		<b>173.36</b>	<b>109.97</b>
<b>Cash &amp; cash equivalents (closing balance)</b>		<b>132.60</b>	<b>173.36</b>

Significant Accounting Policies & Notes on Financial Statements 1 to 37

For and on Behalf of the Board

As per our report of even date attached

**For Raj Gupta & Company**  
Chartered Accountants  
ICAI Firm Regd No-000203N

**(Abhishek Gupta)**  
(Partner)  
M.No. 530433

**Sanjay Tikku**  
Director

**Vivek Malik**  
Director

Place : New Delhi  
Dated : 11th August, 2020

**Sandeep Singh Surya**  
Chief Financial Officer

**Mona Bahadur**  
Company Secretary



**Statement of Changes in Equity for the period ended 31st March 2018**

**A. Equity Share Capital**

**(Rupees in Lakhs)**

Particulars	Balance as at 01.04.2018	Changes during the Period	Balance as at 31.03.2019
503,832,140 Equity Shares of Rs. 1/- each	5038.32	-	5038.32
Particulars	Balance as at 01.04.2019	Changes during the Period	Balance as at 31.03.2020
503,832,140 Equity Shares of Rs. 1/- each	5038.32	-	5038.32

**B. Other Equity**

**(Rupees in Lakhs)**

Particulars	Reserve and Surplus					Other Comprehensive Income	Total
	Capital Reserve	Securities Premium Reserve	ESOP	General Reserve	Retained Earnings	Reclassification of actuarial gains/(losses), on account of Defined Employee Benefit Obligation	
As at 01.04.2019	525.50	599.41	-	1,080.83	9,614.30	(127.35)	11,692.69
Total Comprehensive Income for the year	-	-	-	-	(4,534.85)	-	(4,534.85)
As at 31.03.2020	525.50	599.41	-	1,080.83	5,079.45	(127.35)	7,157.84

**(Rupees in Lakhs)**

Particulars	Reserve and Surplus					Other Comprehensive Income	Total
	Capital Reserve	Securities Premium Reserve	ESOP	General Reserve	Retained Earnings	Reclassification of actuarial gains/(losses), on account of Defined Employee Benefit Obligation	
As at 01.04.2018	525.50	599.41	-	1,080.83	9,861.50	(63.90)	12,003.34
Total Comprehensive Income for the year	-	-	-	-	(247.20)	(63.45)	(310.65)
As at 31.03.2019	525.50	599.41	-	1,080.83	9,614.30	(127.35)	11,692.69

**Significant Accounting Policies & Notes on Financial Statements 1 to 37**

**For and on Behalf of the Board**

As per our report of even date attached

**For Raj Gupta & Company**  
Chartered Accountants  
ICAI Firm Regd No-000203N

**(Abhishek Gupta)**  
(Partner)  
M.No. 530433

**Sanjay Tiku**  
Director

**Vivek Malik**  
Director

Place : New Delhi  
Dated : 11th August, 2020

**Sandeep Singh Surya**  
Chief Financial Officer

**Mona Bahadur**  
Company Secretary



## Notes forming part of the Standalone financial statements

### 1. Company Overview

JMT Auto Limited incorporated as Public Limited Company is into the business of manufacturing of Auto Components. The core competency of the Company is into manufacturing of Gear and Transmission parts. The Manufacturing facilities are located in Jamshedpur, Jharkhand and Dharwad, Karnataka. The shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange.

Company has its Registered Office at 3, Local Shopping Centre, Pamposh Enclave, G.K.-1, New Delhi.

### 2. Significant Accounting Policies

#### 2.1 Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accounting policies have been consistently applied except where a newly issued Indian accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### 2.2 Use of estimates

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

##### 2.2.1 Useful lives of property, plant and equipment & Capital Work in progress.

Company reviews the life of property plant and equipment at the end of each reporting period and more frequently. This re-assessment may result in change in depreciation expense in future periods.





#### **2.2.2 Valuation of deferred tax assets / liabilities / MAT Credit**

The company reviews the carrying amount of deferred tax assets/ Liabilities at the end of each reporting period.

#### **2.2.3 Provisions and contingent liabilities**

A provision is recognized when the company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements, however when the realization is virtually certain then the related asset cease to be a contingent asset and therefore recognized. However, the detail of existing contingencies as on 31st March, 2020 is provided Note no. 29.5.

### **2.3 Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivables. Amounts disclosed as revenue are exclusive of excise duty/GST and net of returns, trade allowances, rebates, discounts, value added taxes. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

#### **Sale of goods**

Sales are recognised when substantial risk and rewards of ownership are transferred to customer as per the terms of the contract, there is no continuing managerial involvement with the goods. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods., in case of domestic customer, sales take place when goods are dispatched or delivery is handed over to transporter, in case of export customers, sales takes place when goods are shipped on board based on bill of lading.

#### **Revenue from Services**

Revenue from services is recognised in the accounting period in which the services are rendered.



### **Other operating revenue - Export incentives**

Revenue in respect of export incentives is recognised when such incentives accrue upon export of goods.

## **2.4 Employee benefits**

• **Long - Term Employee Benefits** The liability for gratuity & leave encashment is determined using Projected Unit Credit [PUC] Method and is accounted for on the basis of actuarial valuation in Accordance with IND AS - 19. The company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Actuarial Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. The current service cost is included in the employee benefit expense in the statement of profit & loss account. The interest cost calculated by applying the discount rate to the net balance of defined benefit obligation, is included in the finance cost in the statement of profit & loss account.

• **Short-Term Employee Benefits** Short - term employee benefits include performance incentive, salaries & wages, bonus and leave travel allowance. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the services.

## **2.5 Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. Processing fee paid for borrowings is amortized over the term of long term loan through statement of profit & loss. All other borrowing costs are expensed in the period in which they occur.

## **2.6 Depreciation & Amortization**

The company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. Depreciation methods, useful lives and residual values are reviewed at each reporting period. Depreciation on additions/deductions to property, plant and equipment is provided on pro-rata basis from the date of actual installation or up to the date of such sale or disposal, as the case may be. Leasehold assets are amortized equally over the period of their lease.



## 2.7 Impairment of Assets

### i) Financial assets (other than at fair value)

The company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction.

### ii) Non-financial assets

**Property, Plant & equipment and Intangible Assets** Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit or loss. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

## 2.8 Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Minimum Alternative Tax [MAT] paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal income tax in future periods. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that future economic benefits associated with it flow to the company and the asset can be measured reliably.





## **2.9 Property, plant and equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation /amortization and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The cost of property, plant & equipment also includes initial estimates of dismantling cost and restoring the site to its original position, on which the site is located.

## **2.10 Financial instruments**

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets (Except Net Investments) and financial liabilities (Except Borrowings) are recognized at fair value on initial recognition, except for trade receivables and security deposits, which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination, which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts are approximately at fair value due to the short maturity of these instruments. Trade receivables, loans and advances which also includes balances from group entities are subject to confirmation and reconciliation. Fair value of investments have not been considered in the books of account. **De-recognition of financial instruments** The company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under IND AS 109. A financial liability (or a part of a financial liability) is de-recognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

## **2.11 Borrowings**

Borrowings are initially measured at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Preference shares are separated into liability and equity components based on the terms of the issue / contract. On issuance of the preference shares, the fair value of the liability component is determined using a market rate for an equivalent instrument. This amount is classified as financial liability and is measured at amortized cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is recognized and included in equity. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the equity component is not re-measured in subsequent years. In view of default in payment of interest/repayment of instalments, all term loans/NCD's and ECB'S have become payable on demand and therefore, have been taken to the head "Other Current Financial Liability".



## 2.12 Investments

### a) Investment in subsidiaries

Investments in subsidiaries are valued at Cost less impairment (In conformity with IND AS 110).

### b) Investment in associates / Joint Ventures

Investment held by the company in associates/joint ventures have been valued at Cost less impairment (In conformity with IND AS 110).

### c) Investment - Others

**Current Investments** Quoted financial assets have been classified as FVTOCI and unquoted financial assets have been classified as Fair Value through Profit & Loss [FVTPL]. **Non-Current Investments** Quoted long term investments have been classified as FVTOCI and unquoted long term investments are have been classified as FVTPL.

## 2.13 Investments

- Raw Material, Goods under process and Finished Goods are valued at cost (Net of provision for diminution) or \*Net Realizable value, whichever is lower.
- Waste and Scrap is valued at Net Realizable Value.
- Cost of inventories also included all other costs incurred in bringing the inventories to their present location and condition.
- Cost of goods under process comprise of cost of materials and proportionate production overhead. Cost of material for this purpose is ascertained on FIFO basis.
- Provision for obsolescence in inventories is made, whenever required.\*Net Realizable Value is the estimated selling price in the ordinary course of business less any applicable selling expenses.



## **2.14 Earnings per equity share**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

## **2.15 Dividends**

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Furthermore, unpaid/ unclaimed dividend are transferred to unpaid dividend account and on expiration of 7 years period, same are deposited in Investor Education and Protection Fund.

## **2.16 Leases**

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the Statement of Profit and Loss over the lease term.





### **Company as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease, all other leases are classified as operating leases. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term however, rent expenses shall not be straight-lined, if escalation in rentals is in line with expected inflationary cost.

### **Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease shall not be straight-lined, if escalation in rentals is in line with expected inflationary cost.

Contingent rentals are recognised as revenue in the period in which they are earned.

## **2.17 Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously



## **2.18 Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable.

For assets and liabilities that are recognized in the Consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

\* Disclosures for valuation methods, significant estimates and assumptions

\* Quantitative disclosures of fair value measurement hierarchy

\* Investment in unquoted equity shares.

\* Financial instruments

## **2.19 Current versus non-current classification**

All assets and liabilities have been classified as current or non-current as per company's normal operating cycle and other criteria set out in the Schedule III to the Act.



- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.





**Note : 03 FIXED ASSETS**

(Rupees in Lakhs)

Particulars	Land-Leasehold	Land-Freehold	Building	Plant and Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Data Processing Units	Total	Other Intangible Assets
<b>Carrying Value</b>										
As at 01.04.2018 (A)	516.26	265.70	5,625.95	33,201.61	234.79	152.45	234.08	276.84	40,507.68	176.09
Additions	-	-	-	900.59	1.91	13.71	15.44	11.55	943.20	-
Disposals	-	-	-	202.23	-	-	-	-	202.23	-
INDAS Reversal	-	-	-	54.82	-	-	-	-	54.82	-
As at 31.03.2019 (B)	516.26	265.70	5,625.95	33,846.15	236.70	166.16	249.52	288.39	41,193.83	176.09
Additions	-	-	-	1,337.32	0.56	5.15	2.15	12.71	1,357.89	-
Disposals	-	-	-	179.54	-	9.84	-	-	189.38	-
INDAS Reversal	-	-	-	-	-	-	-	-	-	-
As at 31.03.2020 (C)	516.26	265.70	5,625.95	35,002.93	237.26	161.47	251.67	301.10	42,362.34	176.09
<b>Depreciation</b>										
As at 01.04.2018 (D)	75.42	-	2,006.90	24,738.88	205.75	73.37	189.32	239.47	27,529.11	128.29
Provided during the period*	22.89	-	189.34	2,300.07	7.65	12.74	17.17	17.84	2,567.70	19.16
written back during the period	-	-	-	11.67	-	-	-	-	11.67	-
Adjustments*	-	-	-	192.40	-	-	-	-	192.40	-
INDAS Reversal	-	-	66.61	617.39	7.31	(4.06)	6.08	5.67	699.00	-
As at 31.03.2019 (E)	98.31	-	2,129.63	26,217.49	206.09	90.17	200.41	251.64	29,193.74	147.45
Provided during the period*	-	-	-	-	-	-	-	-	-	-
written back during the period	-	-	176.21	1,850.85	8.61	17.72	12.45	23.27	2,120.00	17.79
Adjustments*	-	-	-	179.54	-	9.82	-	(2.41)	186.95	2.41
INDAS Reversal	-	-	-	-	-	-	-	-	-	-
As at 31.03.2020 (F)	121.20	-	2,305.84	27,896.80	214.70	98.07	212.86	277.32	31,126.79	162.83
<b>Net Block</b>										
As at 31.03.2020 (C-F)	395.06	265.70	3,320.11	7,106.13	22.56	63.40	38.81	23.78	11,235.55	13.26
As at 31.03.2019 (B-E)	417.95	265.70	3,496.32	7,627.66	30.61	75.99	49.11	36.75	12,000.09	28.64
As at 01.04.2018 (A-D)	440.84	265.70	3,619.05	8,462.73	29.04	79.06	44.76	37.37	12,978.57	47.80

\*During the period under review, additional Depreciation has been charged on account of review of residual useful life of certain items of Plant and Machinery. This has been done keeping in view the internal assessment done by the technical team of the company. (Previous year: Additional depreciation was on account of transition due to changes in the Companies Act provisions.)

Particulars	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
Property, plant and equipment	11,235.55	12,000.09	12,978.57
Capital work-in-progress	10.68	128.76	292.99
Other intangible assets	13.26	28.64	47.80
<b>Total Fixed Assets</b>	<b>11,259.49</b>	<b>12,157.49</b>	<b>13,319.36</b>

(Rupees in Lakhs)



**NON CURRENT FINANCIAL ASSETS**

**Note : 04 Investments**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>1. Investment in Equity instruments of Joint Ventures and Associates - UnQuoted</b>		
<b>Amtek Riken Casting Private Limited</b>	700.00	700.00
70,00,000 (FY 2019-20,00,000, FY 2018-20,00,000) Equity Shares of Rs 10/- Each		
Less : Impairment	(43.29)	-
<b>2. Investment in Equity instruments of Overseas Subsidiaries- Unquoted</b>		
(i) 10000 (Nil) Equity shares Amtek Metallic Systems Pte Ltd. of 1/- SGD Each	-	-
(ii) Nil (10) Equity Shares of Amtek Machining Systems Pte Ltd. of SGD 1/- each	0.10	0.10
<b>3. Other Investment in Equity Investment- Others</b>		
(i) 10,000 (10,000) equity shares of Nicco Jubilee Park Limited Rs 10 each fully paid up	1.00	1.00
Less: Impairment	(1.00)	(1.00)
(ii) 10,000 (10,000) equity shares of Jaimex International Pvt Ltd Rs 10 each fully paid up	1.00	1.00
Less: Impairment	(1.00)	(1.00)
(iii) 600 (600) equity shares of Adityapur Auto Cluster Rs 1000/- each fully paid up	6.00	6.00
<b>4. Other Investment in Equity Instruments at Fair Value through Profit &amp; Loss</b>		
10 (Nil) Equity Shares of Amtek Machining Systems Pte Ltd. of SGD 1/- each	-	-
<b>5. National Savings Certificate</b>	0.15	0.15
<b>Total</b>	<b>662.96</b>	<b>706.25</b>

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Aggregate Value of Unquoted Investment	662.96	706.25
- In subsidiaries	0.10	0.10
- In Joint Ventures	700.00	700.00
- In others	8.00	8.00
Other Investments	0.15	0.15
Aggregate amount of Impairment in value of Investments	(2.00)	(2.00)

**Note : 05 Other Financial Asset**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Security Deposit	699.96	684.57
<b>Total</b>	<b>699.96</b>	<b>684.57</b>



**Note : 06 Other Non-Current Assets**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Capital advance</b>		
Unsecured, Considered Good	124.18	176.62
<b>Others</b>		
Advance Tax net of provision	232.89	210.56
<b>Total</b>	<b>357.07</b>	<b>387.18</b>

**Note : 07 Inventories (As Certified by Management)**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Raw Material	2,084.99	2,280.80
Work in Progress	8,790.99	10,077.71
Finished Goods	539.89	653.65
Consumables (stores and spares)	737.78	801.21
<b>Total</b>	<b>12,153.65</b>	<b>13,813.37</b>

**Note : 08 Trade Receivables**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Not Due	1,069.69	2,235.22
0-30 days	420.05	652.40
31-60 days	98.62	108.01
61-90 days	81.05	176.85
91-180 days	156.93	219.60
More than 180 days	1,465.37	50.03
<b>Total</b>	<b>3,291.71</b>	<b>3,442.11</b>

**Note : 09 Cash and Cash Equivalents**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Cash on Hand	1.54	5.46
<b>Balance with Schedule Banks</b>		
- Current accounts	8.65	4.01
- EEFC Account	-	2.96
- Fixed Deposits	120.31	155.08
<b>Earmarked Balances</b>		
- Balance in banks against unpaid dividend	2.10	5.85
<b>Total</b>	<b>132.60</b>	<b>173.36</b>





**Note : 10 Other Current Financial Assets**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Staff advances	15.49	14.80
Interest accrued on deposits	41.05	38.59
Security Deposit	2.40	23.88
<b>Total</b>	<b>58.94</b>	<b>77.27</b>

**Note : 11 Other Current Assets**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Loans &amp; Advances</b>		
Unsecured, Considered Good :		
Advance to parties	1,124.03	3,239.69
Prepaid expenses	65.57	63.18
Balance with Revenue Authorities (Indirect taxes)	80.88	469.57
Income Tax Refund	31.36	18.50
<b>Total</b>	<b>1,301.84</b>	<b>3,790.94</b>

**Note : 12 Share Capital**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Authorized</b>		
525000000 (525,000,000 Equity Shares of Re. 1 each)	5,250.00	5,250.00
<b>Total</b>	<b>5,250.00</b>	<b>5,250.00</b>
<b>Issued, Subscribed and Paid - Up</b>		
<b>Equity Shares</b>		
(31.03.2020: 503,832,140 Equity Shares of Re. 1 each)	5,038.32	5,038.32
(31.03.2019: 503,832,140 Equity Shares of Re. 1 each)		
<b>Total</b>	<b>5,038.32</b>	<b>5,038.32</b>



**Note : 12.1 The reconciliation of the number of shares outstanding and amount of share capital as at 31.03.2020 and 31.03.2019 is set out below:**

Particulars	(Rupees in Lakhs)			
	As at		As at	
	31.03.2020		31.03.2019	
	Number of Shares	Amount	Number of Shares	Amount
Number of shares at the beginning	503,832,140.00	5,038.32	503,832,140.00	5,038.32
Add: Bonus Shares Issued during the year	-	-	-	-
Add: Stock Split of Rs. 10 shares into Rs. 2 shares during the year	-	-	-	-
Add: Stock Split of Rs. 2 shares into Rs. 1 shares during the year	-	-	-	-
<b>Number of Shares at the end</b>	<b>503,832,140.00</b>	<b>5,038.32</b>	<b>503,832,140.00</b>	<b>5,038.32</b>

**Note : 12.2 Rights, preferences and restrictions attached to shares**

The company has one class of equity shares having a par value of Rs. 1 per share. Each shareholder is eligible for one vote per share held. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**Note: 12.3 Shares held by holding/ultimate holding company and or their subsidiaries/ associates**

Particulars	As at	As at
	31.03.2020	31.03.2019
Amtek Auto Limited	336,412,200.00	336,412,200.00
WLD Investments Pvt. Ltd.	-	25,000,000.00

**Note : 12.4 Details of Shareholders Holding more than 5% Share Capital**

Particulars	(Rupees in Lakhs)			
	As at		As at	
	31.03.2020		31.03.2019	
	Number of Shares	Amount	Number of Shares	Amount
1. Equity Shares				
Amtek Auto Limited	336,412,200	66.77%	336,412,200.00	66.77%
Hypnos Fund Limited	-	-	-	0.00%
Lts Investment Fund Ltd	28,092,267	5.58%	28,092,267.00	5.58%
<b>Total</b>	<b>364,504,467</b>	<b>72.35%</b>	<b>364,504,467.00</b>	<b>72.35%</b>

**Note: 12.5 Detail of bonus shares issued during the last five years (In Numbers)**

Nature	31.03.2020	31.03.2019	31.03.2018	31.03.2017	31.03.2016
Equity Shares	NIL	NIL	NIL	NIL	NIL



**Note : 12.6 Other Equity**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Capital Reserve</b>		
Opening Balance as on 01.04.2019	525.50	525.50
Addition/ (deduction) during the period (net)	-	-
<b>Closing Balance as on 31.03.2020</b>	<b>(A) 525.50</b>	<b>525.50</b>
<b>Securities Premium Reserve</b>		
Opening Balance as on 01.04.2019	599.41	599.41
Addition/ (deduction) during the period (net)	-	-
<b>Closing Balance as on 31.03.2020</b>	<b>(B) 599.41</b>	<b>599.41</b>
<b>General Reserve</b>		
Opening Balance as on 01.04.2019	1,080.83	1,080.83
Addition/ (deduction) during the period (net)	-	-
<b>Closing Balance as on 31.03.2020</b>	<b>(C) 1,080.83</b>	<b>1,080.83</b>
<b>Profit &amp; Loss Account</b>		
Opening Balance as on 01.04.2019	9,486.95	9,797.60
Addition/ (deduction) during the period (net)	(4,534.85)	(310.65)
<b>Surplus available for appropriation</b>	<b>(D) 4,952.10</b>	<b>9,486.95</b>
<b>Total (A+B+C+D)</b>	<b>7,157.84</b>	<b>11,692.69</b>

**Note : 13 Long Term Borrowings**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
<b><u>SECURED LOANS</u></b>		
<b>Term Loans</b>		
From Banks & Financial Institutions	1,185.73	2,724.19
<b><u>UNSECURED LOANS</u></b>		
From Customers	53.33	-
<b>Total</b>	<b>1,239.06</b>	<b>2,724.19</b>

**Note : 14 Long Term Provisions**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>(i) Provision for Employee Benefits</b>		
Gratuity	262.62	152.37
Leave Encashment	81.39	86.78
<b>Total</b>	<b>344.01</b>	<b>239.15</b>





**Note : 15 Deferred Tax Liabilities (Net)**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Deferred Tax Liabilities</b>		
On account of Depreciation of Fixed Assets	898.29	1,199.08
<b>Deferred Tax Asset</b>		
Provision for Gratuity	(91.77)	(53.24)
Provision for Compensated absence	(30.06)	(32.29)
On account of carry forward losses/amortisation expenses	(121.83)	(85.53)
<b>Net Deferred Tax Liability</b>	<b>776.46</b>	<b>1,113.55</b>

**Note : 16 Short Term Borrowings**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>SECURED LOANS</b>		
<b>Bank Borrowing for Working Capital</b>		
- From Banks	9,173.19	9,082.94
<b>Total</b>	<b>9,173.19</b>	<b>9,082.94</b>

**Note : 17 Trade Payables**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
(A) Total o/s dues of Micro and Small Enterprises	-	-
(a) The principle amount relating to micro and small enterprises	-	-
(b) The interest amount due but not paid	-	-
(c) The amount of the interest paid by the buyer in terms of section 16 of the Micro, Small and Medium	-	-
(d) The amount of the interest due and payable for the period of delay in making payment (which have been	-	-
(e) The amount of the interest accrued and remaining unpaid at the end of each accounting year	-	-
(f) The amount of further interest remaining due and payable even in the succeeding year, untill such date	-	-
<b>(B) Total o/s dues of creditor other than micro and small enterprises</b>		
Trade Payables (Including acceptances)	2,514.54	2,676.59
<b>Total</b>	<b>2,514.54</b>	<b>2,676.59</b>



**Note : 18 Other Financial Liabilities**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Current Maturity of Long Term Borrowings	2,111.36	1,640.11
Unpaid Dividend	2.10	5.85
Interest accrued & due on borrowings	-	32.37
<b>Total</b>	<b>2,113.46</b>	<b>1,678.33</b>

**Note : 19 Other Current Liabilities**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Other Liabilities	1,431.55	805.68
Creditors for capital goods	97.55	152.09
Statutory Dues	27.61	23.39
<b>Total</b>	<b>1,556.71</b>	<b>981.16</b>

**Note : 20 Short Term Provisions**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Provision for Leave Encashment	4.62	5.62
<b>Total</b>	<b>4.62</b>	<b>5.62</b>



**Note : 21 Revenue From Operations**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Sales of Products		
Domestic	13,031.74	27,141.09
Export	3,079.96	6,877.53
Other Sales & Services	1,467.28	1,986.48
<b>Total</b>	<b>17,578.98</b>	<b>36,005.10</b>

**Note : 22 Other Income**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Interest	51.83	58.56
Net Gain on Foreign currency transaction	74.52	101.19
Misc Income-Export Incentive	-	0.23
Other Misc. Income	474.63	11.52
<b>Total</b>	<b>600.98</b>	<b>171.50</b>

**Note : 23 Cost of Material Consumed**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Opening Stock of Raw Material	2,280.80	2,254.59
<b>Add : Purchases of Raw Material</b>	<b>6,201.76</b>	<b>15,596.25</b>
	<b>8,482.56</b>	<b>17,850.84</b>
<b>Less : Closing Stock of Raw Material</b>	<b>2,084.99</b>	<b>2,280.80</b>
<b>Total</b>	<b>6,397.57</b>	<b>15,570.04</b>

**Note: 23.1 Imported and Indigenous Raw materials**

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
	(% of Total Consumption )	
<b>Raw material</b>		
Consumption of imported Raw material	-	-
(Percentage of Consumption of Raw Material)	-	-
Consumption of similar domestic Raw material	6,397.57	15,570.04
(Percentage of Consumption of Raw Material)	100.00%	100.00%
<b>Total Consumption of Raw material</b>	<b>6,397.57</b>	<b>15,570.04</b>





**Note : 24 Changes in Inventories of Finished Goods, Work In Progress & Stock In Trade**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
<b><u>Opening Stock as on 01-04-2019</u></b>		
- Work in Progress	10,077.71	9,681.64
- Finished Goods	653.65	407.69
<b><u>Less : Closing Stock as on 31-03-2020</u></b>		
- Work in Progress	8,790.99	10,077.71
- Finished Goods	539.89	653.65
	<b>1,400.48</b>	<b>(642.03)</b>
Less : Transferred to Exceptional Items	-	380.00
<b>Total</b>	<b>1,400.48</b>	<b>(1,022.03)</b>

**Note : 25 Employee Benefit Expenses**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Salaries and Wages*	2,151.95	2,263.29
Other Contribution and staff welfare expenses	242.68	262.14
<b>Total</b>	<b>2,394.63</b>	<b>2,525.43</b>

\*Including director's salary Rs 82.26 Lakhs in 2020 and Rs 72.31 Lakhs in 2019

**Note : 26 Employee Benefit Expenses**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Interest Expenses	1,940.38	1,635.89
Short term loan	1,544.86	1,130.63
Long term loan	395.52	505.26
Interest on dismantling	-	(13.75)
Interest on Employee Benefit Expenses	-	5.99
<b>Total</b>	<b>1,940.38</b>	<b>1,628.13</b>



**Note : 27 Depreciation and Amortisation Expenses**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Depreciation and amortisation	2,137.78	2,586.86
<b>Total</b>	<b>2,137.78</b>	<b>2,586.86</b>

**Note : 28 Other Expenses**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Salaries and Wages*	2,164.34	2,263.29
<b><u>A) Manufacturing Expenses</u></b>		
Consumables & Store spares	1,094.53	2,562.98
Power & Fuel	3,050.37	5,037.43
Freight Inwards	116.43	227.08
Labour Charges & Job Work	3,061.20	5,118.50
Repairs of Plant & Machinery	155.11	266.30
Other Manufacturing Expenses	251.90	253.66
<b>Total Manufacturing Expenses (A)</b>	<b>7,729.54</b>	<b>13,465.95</b>
<b><u>B) Administrative Expenses &amp; Selling Expenses</u></b>		
Auditor's Remuneration	14.00	14.00
Bank Charges	85.54	74.12
Business promotion Expenses	4.51	17.20
Insurance Charges	80.92	88.12
Membership & Subscription Exp.	1.08	0.83
Rate, Fee & Taxes	10.43	10.72
Rent	9.54	10.06
Repairs of Building & Others	165.05	261.51
Telephone, Postage & Courier Expenses	8.92	7.73
Travelling & Conveyance	117.76	181.94
Freight Outwards	240.53	347.88
Car/ Bus hire charges	50.20	71.17
Bad/Doubtful Debts	-	522.63
Miscellaneous Exp	175.85	201.69
<b><u>Selling &amp; Distribution Expenses</u></b>		
Discount Allowed	31.51	53.08
<b>Total Administrative &amp; Selling Expenses (B)</b>	<b>995.84</b>	<b>1,862.68</b>
<b>Total (A + B)</b>	<b>8,725.38</b>	<b>15,328.63</b>



**Note : 28.1 Auditor's Remuneration**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
<b>Auditors Payments</b>		
As Auditor	14.00	14.00
For Taxation Matters	-	-
For Reimbursement of Expenses	-	-
<b>Total</b>	<b>14.00</b>	<b>14.00</b>

**Note : 28.2 Expenditure in Foreign Currency**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Travelling	1.95	1.95
Interest, Legal and other Expenses	-	-
<b>Total</b>	<b>1.95</b>	<b>1.96</b>

Note: Travelling expenditure in foreign currency includes directors travelling.

**Note : 28.3 Value of Imports calculated on C.I.F. basis**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Raw Material	-	-
Components and spare parts	22.05	88.19
Capital goods	-	14.70
<b>Total</b>	<b>22.05</b>	<b>102.89</b>

**Note : 28.4 Earnings in Foreign Exchange**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Export/ Deemed export of Goods Calculated on F.O. B. basis	3,079.96	6,877.53
<b>Total</b>	<b>3,079.96</b>	<b>6,877.53</b>



**Note : 28.5 Contingent Liabilities and Commitments (To the extent not provided for)**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Bank Guarantees issued by bank on company's behalf	97.45	78.80
Capital Cenvat availed in EOU units, Dharwad.	444.00	444.00
Discharge of SHIS License	-	-
<b>Total</b>	<b>541.45</b>	<b>522.80</b>

**Note : 28.6 Imported and indigenous spare parts and components**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
<b>Spare parts and components</b>		
Consumption of imported spare parts and components	22.05	102.85
(Percentage of Consumption of spare parts and components)	2.01%	4.01%
Consumption of similar domestic spare parts and components	1,072.48	2,460
(Percentage of Consumption of spare parts and components)	97.99%	95.99%
<b>Total</b>	<b>1,094.53</b>	<b>2,562.98</b>

**Note : 28.7 Capital Commitments**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net)	130.30	147.10
<b>Total</b>	<b>130.30</b>	<b>147.10</b>





**Note : 29 Other Comprehensive Income (OCI)**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
<b>Effects of transition of Ind AS on Defined Benefit Plans:</b>		
Items that will not be reclassified to Profit and Loss:		
i) Reclassification of actual gains/(losses), arising in respect of Earned Leave	35.14	-
ii) Deferred Tax effect on the above	-	-
iii) Reclassification of actual gains/(losses), arising in respect of Gratuity	(47.53)	(92.23)
iv) Deferred Tax effect on the above	-	28.78
<b>Total</b>	<b>(12.39)</b>	<b>(63.45)</b>

**Note : 30 Exceptional Items**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Impairment of Investment	(43.29)	-
Diminution in Value of Old stock	-	(380.00)
Provision for Dismantelling written back	-	11.67
Depreciation overcharged in previous years	-	699.00
<b>Total</b>	<b>(43.29)</b>	<b>330.67</b>

**Note : 31 Earnings Per Share**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Average number of equity shares (Face Value Rs. 1/- each) for basic EPS	5,038.32	5,038.32
Net Profit for the Year (Rupees in Lakhs)	(4,534.85)	(310.65)
Add: Effect of dilutive issue of employees stock options (ESOPs)	-	-
Outstanding as on 31.03.2018	-	-
Average number of equity shares (Face Value Rs. 1/- each) for diluted EPS	5,038.32	5,038.32
Basic earnings per share (Rs.)	(0.90)	(0.06)
Diluted earnings per share (Rs.)	(0.90)	(0.06)



### Note : 32 Related Party Transactions

In accordance with the requirements of Indian Accounting Standard (Ind AS-24) the name of the related parties control exists and/or with whom transactions have taken place during the period and description of relationships is identified and certified by the management are as hereunder:

A	Name of related party	Relationship
	Amtek Auto Limited	Holding Company
	Amtek Metallic Systems Pte Ltd	Subsidiary Company
	Amtek Riken Casting Pvt. Ltd.	Associate Company

B	KMP's	Designation	Rs. In Lakhs
	1. Sanjay Tikur	CEO	66.40
	2. Sandeep Singh	CFO	25.03
	3. Mona Bahadur	CS	7.28

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Associate Companies		
a) Purchase of material/ finished goods	-	56.96
b) Sale of finished goods and Job working	-	-
c) Services availed including Job charges	-	-
d) Investments made	-	0.09
e) Purchase of Fixed Assets	-	-
f) Sale of Fixed Asset	-	-
g) Total of transactions during the year	-	57.05
h) Loans Taken	-	-
i) Loans repaid	-	-
Interest Expense	-	-
Balance at the end of the year	-	-
j) Other payables	-	-
k) Receivables	-	640.71
l) Loans Outstanding (including interest accrued)	-	-

### Note : 33 Tax Expense

a) Reconciliation of tax expense and the accounting profit/(loss) multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Profit / (Loss) before tax for the year	(4,859.55)	(109.79)
At India's statutory income tax rate of 34.9440% (Previous Year 34.9440%)	-	(38.37)
a) Income exempt from tax/items not deductible	(292.94)	193.55
b) Earlier year taxes	(44.15)	(17.77)
c) Others	-	-
(Previous Year -4.67%)	<b>(337.09)</b>	<b>137.41</b>
Income tax expense reported in the statement of profit and loss	(337.09)	137.41



b) Movement of deferred tax liability from beginning to end of financial year is as follows:

Particulars	Year Ended 31.03.2020	Provided during the year	Year Ended 31.03.2019
Deferred tax liability:			
a) Related to Property Plant and Equipments (Including Addition due to Acquisition)	1,119.08	(300.79)	898.29
<b>Total deferred tax liability</b>	<b>1,119.08</b>	<b>(300.79)</b>	<b>898.29</b>
Deferred tax assets:			
a) Business Losses and unabsorbed depreciation for the year	85.53	36.30	121.83
b) Amounts deductible on payment basis	-	-	-
c) Others	-	-	-
<b>Total deferred tax Assets</b>	<b>85.53</b>	<b>36.30</b>	<b>121.83</b>
Mat Credit Entitlement	-	-	-
Deferred tax Assets/(Liability) (Net)	(1,113.55)	337.09	(776.46)
Recognised in Profit or Loss as 'tax' expenses	(121.06)	-	(121.06)
Recognised in Other Comprehensive Income	28.78	-	-
<b>Total</b>	<b>(92.28)</b>	<b>-</b>	<b>(121.06)</b>

#### Note : 34 Employee Benefits (Ind AS-19)

The following data are based on the report of the actuary

The principal assumptions used in the actuarial valuations are as below:-

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Discount rate	6.80%	7.65%
Future Salary Escalation Rate	7.00%	7.00%
Average Remaining working life (Years)	19.21	20.04
Retirement Age	58 / 60 years	58 / 60 years

#### Gratuity (Funded)

##### i. Change in Net Defined Benefit obligations:

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Net Defined Benefit liability as at the start of the period	567.26	409.40
Service Cost	52.17	41.34
Past service cost - plan amendments	-	-
Net Interest Cost (Income)	42.96	31.32
Actuarial ( Gain ) /Loss on obligation	45.62	90.59
Benefits Paid directly by the Company	-	(0.69)
Benefits paid from plan assets	(11.39)	(4.70)
<b>Present Value of Obligations as at the end of the period</b>	<b>696.62</b>	<b>567.26</b>



**ii. The Amount Recognised in the Income Statement.**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Service Cost	52.17	41.34
Net Interest Cost	11.62	1.37
Expected Return on plan assets	-	-
Net Actuarial (Gain)/ Loss recognized in the year	-	-
<b>Expenses recognised in the Income Statement</b>	<b>63.79</b>	<b>42.71</b>

**iii. Other Comprehensive Income (OCI)**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Net cumulative unrecognized actuarial gain/(loss) opening	(45.62)	(90.59)
Actuarial (gain) / loss for the year on DBO	-	-
Actuarial gain /(loss) for the year on Asset	(1.91)	(1.64)
Net Actuarial (Gain)/ Loss recognized in the year	47.53	92.23
<b>Unrecognized actuarial gain/(loss) at the end of the year</b>	<b>(47.53)</b>	<b>(92.23)</b>

**iv. Balance Sheet and related analyses**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Present Value of Obligation at the end of the year	(696.62)	(567.26)
Fair Value of Plan Assets	434.00	414.89
Unfunded Liability/Provision in Balance Sheet	-	-
Unrecognised Actuarial (Gain) / Losses	-	-
<b>Unfunded Liability Recognised in the Balance Sheet</b>	<b>(262.62)</b>	<b>(152.37)</b>

**v. Bifurcation of PBO at the end of year in current and non current.**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Current Liability (Amount due within one year)	-	-
Non Current Liability (Amount due over one year)	(262.62)	(152.37)
<b>Total</b>	<b>(262.62)</b>	<b>(152.37)</b>

**Leave Encashment (Unfunded)**

**i. Table Showing Change in Benefit obligations:**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Present value of obligation as at the start of the period	92.40	67.70
Current Service Cost	24.07	19.02
Interest Cost	6.98	4.62
Actuarial ( Gain) /Loss on obligation	(35.14)	16.35
Benefits Paid	(2.30)	(15.29)
<b>Present Value of Obligations as at the end of the period</b>	<b>86.01</b>	<b>92.40</b>





ii. The Amount Recognised in the Income Statement.

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Service Cost	24.07	19.02
Net Interest Cost	6.98	4.62
Expected Return on plan assets	-	-
Net Actuarial (Gain)/ Loss recognized in the period	-	-
<b>Expenses (Income) recognised in the Income Statement</b>	<b>31.05</b>	<b>23.64</b>

iii. Other Comprehensive Income (OCI)

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Net cumulative unrecognized actuarial gain/(loss) opening	(35.14)	16.35
Actuarial gain / (loss) for the year on DBO	-	-
Actuarial gain /(loss). for the year on Asset	-	-
Net Actuarial (Gain)/ Loss recognized in the year	35.14	(16.35)
<b>Unrecognized actuarial gain/(loss) at the end of the year</b>	<b>35.14</b>	<b>(16.35)</b>

iv. Balance Sheet and related analyses

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Present Value of Obligation at the end of the year	86.01	92.40
Fair Value of Plan Assets	-	-
Unfunded Liability/Provision in Balance Sheet	(86.01)	(92.40)
Unrecognised Actuarial (Gain) / Losses	-	-
<b>Unfunded Liability Recognised in the Balance Sheet</b>	<b>(86.01)</b>	<b>(92.40)</b>

v. Bifurcation of PBO at the end of year in current and non current.

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Current Liability (Amount due within one year)	(4.62)	(5.62)
Non Current Liability (Amount due over one year)	(81.39)	(86.78)
<b>Total</b>	<b>(86.01)</b>	<b>(92.40)</b>



**Note : 35 Financial assets and liabilities**

The carrying value of financial instruments by categories as of March 31, 2020 is as follows:

(Rupees in Lakhs)

Particulars	Fair Value Through Profit & Loss A/C	Fair value through other comprehensive income	Amortised cost	Total carrying value
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	132.60	132.60
Trade receivables	-	-	3,291.71	3,291.71
Other financial assets	-	-	699.96	699.96
<b>Total</b>	-	-	4,124.27	4,124.27
<b>Financial Liabilities</b>				
Trade payables	-	-	2,514.54	2,514.54
Borrowings	-	-	1,239.06	1,239.06
Other financial liabilities	-	-	2,113.46	2,113.46
<b>Total</b>	-	-	5,867.06	5,867.06

The carrying value of financial instruments by categories as of March 31, 2019 is as follows:

(Rupees in Lakhs)

Particulars	Fair Value Through Profit & Loss A/C	Fair value through other comprehensive income	Amortised cost	Total carrying value
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	173.36	173.36
Trade receivables	-	-	3,442.11	3,442.11
Other financial assets	-	-	684.57	684.57
<b>Total</b>	-	-	4,300.04	4,300.04
<b>Financial Liabilities</b>				
Trade payables	-	-	2,676.59	2,676.59
Borrowings	-	-	9,082.94	9,082.94
Other financial liabilities	-	-	1,678.33	1,678.33
<b>Total</b>	-	-	13,437.86	13,437.86

**Fair value hierarchy**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.



The financial instruments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

**As at March 31, 2020**

**(Rupees in Lakhs)**

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	132.60	109.97
Trade receivables	-	-	3,291.71	5,263.71
Other financial assets	-	-	699.96	574.82
<b>Financial Liabilities</b>				
Trade payables	-	-	2,514.54	2,514.54
Borrowings	-	-	1,239.06	1,239.06
Other financial liabilities	-	-	2,113.46	2,113.46

**As at March 31, 2019**

**(Rupees in Lakhs)**

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	173.36	173.36
Trade receivables	-	-	3,442.11	3,442.11
Other financial assets	-	-	684.57	684.57
<b>Financial Liabilities</b>				
Trade payables	-	-	2,676.59	2,676.59
Borrowings	-	-	9,082.94	9,082.94
Other financial liabilities	-	-	1,678.33	1,678.33

#### **Note : 36 Financial risk Management objectives and policies**

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include investment, loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. Considering on-going CIRP process, quantum of these risks are not ascertainable.

The company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:



**(A) Market Risk:**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/ receivables in foreign currencies.

**a) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the company is currently carrying its loans at aviable interest rates.

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Variable rate borrowings	12,470.28	13,447.24
Fixed rate borrowings	Nil	Nil

**Interest Rate Sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

**Notes to Financial Statements for the year ended 31st March, 2020**

Particulars	Effect On Profit Before Tax	
	As at 31.03.2020	As at 31.03.2019
Increase by 50 basis points	62.35	67.24
Decrease by 50 basis points	(62.35)	(67.24)

**b) Foreign currency risks**

Foreign risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure in foreign currency is in Trade payable and receivable denominated in foreign currency. The Company is not restricting its exposure of risk in change in exchange rates.

Natural Hedging – We are availing PCFC limit as a sub limit to our CC limits wherein on the basis of our export POs we get our INR loan converted into USD loan under the same overall credit limit. On the other hand we have USD receivable against our exports. Thus both these acts as a natural hedge wherein our dollar collection covers for our dollar loan repayment.

We try to keep our PCFC loan and Export receivable at even level in order to have full coverage.





**I) Particulars of unhedged foreign currency exposure as at reporting date (Rupees in Lakhs)**

Particulars	As at 31.03.2020		As at 31.03.2019	
	(Rs.)	(USD)	(Rs.)	(USD)
Trade Debtors	794.55	11.27	1,061.43	15.64
Trade Creditors	5.27	0.18	40.70	0.60
Amount covered by natural hedge (PCFC Loan)	200.07	2.81	2,221.13	32.13
<b>Unhedged Foreign Currency Exposure</b>	<b>599.75</b>	<b>8.64</b>	<b>(1,200.40)</b>	<b>(17.09)</b>

**Foreign currency sensitivity**

The following table demonstrate the sensitivity to a reasonably possible change in foreign currency exchange rates. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	Effect on Profit Before Tax	
	As at 31.03.2020	As at 31.03.2019
USD Sensitivity		
Decrease by 5%	29.99	(60.02)
Increase by 5%	(29.99)	60.02

**(B) Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including loans to related parties, deposits with banks and financial institutions and other financial instruments.

**Credit risk management**

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk on reporting date
- (ii) Moderate credit risk
- (iii) High credit risk

**Financial assets that expose the entity to credit risk: – (Rupees in Lakhs)**

Particulars	31.03.2020	31.03.2019
<b>Low credit risk on reporting date</b>		
Cash and cash equivalents	132.60	173.36
Trade receivables	3,291.71	3,442.11
Investments	862.96	706.24
Loans(non-current)	899.96	684.57
Loans(current)	58.94	77.27
<b>Moderate credit risk</b>	-	-
<b>High credit risk</b>	-	-



#### Cash & Cash Equivalents and Bank Deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

#### Trade Receivables

The company closely monitors the credit-worthiness of debtors through internal system that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts.

#### Gross carrying amount of trade receivables:

(Rupees in Lakhs)

Particulars	31.03.2020	31.03.2019
Ageing		
Not due	1069.69	
0-180 days	756.66	3,392.08
more than 180 days	1,465.36	50.03
<b>Total</b>	<b>3,291.71</b>	<b>3,442.11</b>

#### c. Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. The Company had access to the following undrawn borrowing facilities at the end of the reporting periods.

#### Gross carrying amount of trade receivables: Long Term Borrowing

(Rupees in Lakhs)

Particulars	31.03.2020	31.03.2019
Floating rate		
(a) Expiring within one year		
Working Capital (Fund Based & Non Fund Based)	168.36	576.35
(b) Expiring beyond one year (Bank loans)		
Long Term Borrowing	-	-

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments As at 31st March, 2020

(Rupees in Lakhs)

Particulars	0 to 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total
Contractual maturities of Long Term borrowings	2,111.36	888.71	349.27	-	3,349.34
Contractual maturities of Short Term borrowings	9,173.19	-	-	-	9,173.19
Contractual maturities of trade payables	2,514.54	-	-	-	2,514.54
Contractual maturities of other financial liabilities	-	-	-	-	-
Unpaid Dividend	2.10	-	-	-	2.10
<b>Total</b>	<b>13,801.19</b>	<b>888.71</b>	<b>349.27</b>	<b>-</b>	<b>15,039.17</b>



As at 31st March, 2019

(Rupees in Lakhs)

Particulars	0 to 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total
Contractual maturities of Long Term borrowings	1,640.11	1,271.52	1,452.66	-	4,364.29
Contractual maturities of Short Term borrowings	9,082.94	-	-	-	9,082.94
Contractual maturities of trade payables	2,676.59	-	-	-	2,676.59
Contractual maturities of other financial liabilities	32.37	-	-	-	32.37
Unpaid Dividend	5.85	-	-	-	5.85
<b>Total</b>	<b>13,437.86</b>	<b>1,271.52</b>	<b>1,452.66</b>	<b>-</b>	<b>16,162.04</b>

### Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Borrowings	12,522.53	13,447.23
Trade payables	2,514.54	2,676.59
Less: Cash and cash equivalents	132.60	173.36
Net debt	15,169.67	15,950.46
Equity	5,038.32	5,038.32
Capital and net debt	20,207.99	20,988.78
Gearing ratio	75.07%	76.00%

**Note : 37(a)** The previous year figures have been regrouped/reclassified, wherever considered necessary to the current year presentation

**Note : 37(b)** The COVID-19 pandemic outbreak across the nation and worldwide and Consequential nationwide lock down imposed since March 24, 2020, has caused a significant decline and volatility in the global as well as Indian Financial markets and slowdown in the economic activities. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees' The Company is sensitive about the impact of the Pandemic on its business operations, which will be realized only in the future financial results of the Company.

Significant Accounting Policies & Notes on Financial Statements 1 to 37

For and on Behalf of the Board

As per our report of even date attached

**For Raj Gupta & Company**  
Chartered Accountants  
ICAI Firm Regd No-000203N

(Abhishek Gupta)  
(Partner)  
M.No. 530433

Sanjay Tikku  
Director

Vivek Malik  
Director

Place : New Delhi  
Dated : 11th August, 2020

Sandeep Singh Surya  
Chief Financial Officer

Mona Bahadur  
Company Secretary



## **Consolidated Balance Sheet as as 31st March, 2020**





**Independent Auditor's report on Consolidated Audited Financial Results of the company pursuant to the Regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 for the year ended March 31, 2020.**

To,

The Board of Directors JMT AUTO LIMITED

We, the Statutory Auditors, of the Company have audited and reviewed the accompanying statement of Consolidated financial results of M/s JMT AUTO LIMITED (the holding company) its overseas subsidiary and its associate for the financial year ended 31st March, 2020 ('the statement') being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The figures for the quarter ended March 31, 2020 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2020 and the published year to date figures upto December 31, 2019, being the date of the end of the third quarter of the current financial year. Also, the figures upto the end of the third quarter had only been reviewed and not subjected to audit.

This Statement, which is the responsibility of the Company's Management and approved by board of Directors, has been compiled from the related Consolidated financial statements which has been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statements based on our audit of such consolidated Ind AS financial statements.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of the Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the statement that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the statement.



### **Basis of qualified Opinion**

- a) As per "Indian Accounting Standard 109", Trade receivables & loan & advances are subject to confirmation/reconciliation and some of them are long outstanding. Accordingly, we are unable to comment upon the recoverability of the same and its consequential impact on the financial statements.
- b) The financial information of the 1 overseas subsidiary and 1 joint venture in the consolidated IND AS financial statements, as at and for the year ended March 31, 2020 are based on its unaudited financial statements. Consequently, we are unable to comment and determine about any adjustment that have been made to these consolidated financial statements

### **Qualified opinion**

In our opinion and to best of our information and according to the explanations given to us, the statement:

- a) It includes unaudited results of consolidated financial statement of Amtek Metallic systems Pte Ltd which is holding company of Alga and Amtek Riken Casting Pvt Ltd.
- b) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016: and
- c) gives a true and fair view except for the matters described in Basis for qualified opinion as given herein above, in conformity with the aforesaid Indian Accounting Standards and other principles generally accepted in India of the total comprehensive income and other information of the company for the year ended March 31, 2020.

### **Emphasis of matter**

#### **We draw attention to the Following points:**

- a) We have relied upon the report of external agency for inventory verification.
- b) No balance confirmation/statement and current status from axis bank is available as certain payments are delayed. Hence the bank balance is subject to confirmation. However, provision for interest has been considered in the books of accounts as on 31.03.2020.
- c) Trade payables are subject to confirmation/ reconciliation.

**PLACE: NEW DELHI**  
**DATED: 11.08.2020**  
**UDIN - 20530433AAAABN2374**

For Raj Gupta & Co.  
CHARTERED ACCOUNTANTS

*Raj Gupta*  
Abhishek Gupta  
Partner

Membership No. 530433



**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2020**

(Rupees in Lakhs)

Particulars	Notes	As at 31.03.2020	As at 31.03.2019
<b>(A) ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3	15,112.40	16,334.31
(b) Right to use	3	2,045.01	-
(c) Capital work-in-progress	3	10.68	128.76
(d) Other intangible assets	3	2,296.75	2,529.79
(e) Goodwill due to consolidation	3	2,167.98	2,052.43
(f) <u>Financial assets</u>			
Investments	4	727.87	717.22
Other financial assets	5	706.80	691.04
(g) Other non-current assets	6	389.63	916.75
<b>Sub total-Non-current assets</b>		<b>23,457.32</b>	<b>23,370.30</b>
<b>2 Current assets</b>			
(a) Inventories	7	13,707.16	16,014.10
(b) <u>Financial assets</u>			
Trade receivables	8	4,528.97	5,967.98
Cash and cash equivalents	9	469.98	441.38
Other financial assets	10	58.94	77.27
(c) Other current assets	11	1,383.04	3,997.79
<b>Sub total current assets</b>		<b>20,148.09</b>	<b>26,496.52</b>
<b>TOTAL-ASSETS</b>		<b>43,605.41</b>	<b>49,866.82</b>
<b>(B) EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	12	5,038.32	5,038.32
(b) Other equity	12	8,174.15	13,001.96
<b>Sub total-Equity</b>		<b>13,212.47</b>	<b>18,040.28</b>
<b>2 Liabilities</b>			
<b>Non-current liabilities</b>			
(a) <u>Financial liabilities</u>			
Borrowings	13	4,086.89	5,167.77
(b) Provisions	14	344.01	314.20
(c) Deferred Tax liability (Net)	15	1,729.38	2,462.84
<b>Sub total-Non-current liabilities</b>		<b>6,160.28</b>	<b>7,944.81</b>
<b>Current liabilities</b>			
(a) <u>Financial liabilities</u>			
Borrowings	16	10,583.23	9,550.38
Trade payables	17	-	-
(i) Total outstanding dues of Micro & small enterprises		5,069.24	5,796.31
(ii) Total outstanding dues other than Micro & small enterprises		5,775.34	3,960.17
Other financial liabilities	18	5,775.34	3,960.17
(b) Other current liabilities	19	2,272.35	4,535.70
(c) Provisions	20	111.86	41.17
(d) Current tax liabilities (net)	21	420.64	-
<b>Sub total-Current liabilities</b>		<b>24,232.66</b>	<b>23,883.73</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>43,605.41</b>	<b>49,866.83</b>

**Significant Accounting Policies & Notes on Financial Statements 1 to 42**

As per our report of even date attached

**For Raj Gupta & Company**

Chartered Accountants

ICAI Firm Regd No-000203N

**(Abhishek Gupta)**

(Partner)

M.No. 530433

Place : New Delhi

Dated : 11th August, 2020

**Sanjay Tiku**

Director

**Sandeep Singh Surya**

Chief Financial Officer

**Vivek Malik**

Director

**Mona Bahadur**

Company Secretary



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020**

(Rupees in Lakhs)

Particulars	Note No	As at 31.03.2020	As at 31.03.2019
<b>(A) Revenue</b>			
(a) Revenues from operations	22	35,062.93	57,759.21
(b) Other Income	23	2,648.84	247.66
<b>Total</b>		<b>37,711.77</b>	<b>58,006.87</b>
<b>(B) Expenses</b>			
(a) Cost of Material consumed	24	13,467.78	24,384.08
(b) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		2,158.69	(1,695.53)
(c) Employee benefit expenses	26	9,076.13	9,787.69
(d) Financial expenses	27	2,324.51	2,900.56
(e) Depreciation and Amortization Expenses	28	4,324.10	3,860.31
(f) Other expenses	29	12,992.88	20,971.37
<b>Total</b>		<b>44,344.09</b>	<b>60,208.48</b>
<b>(C) Profit before exceptional items and tax (A-B)</b>		<b>(6,632.32)</b>	<b>(2,201.63)</b>
<b>(D) Exceptional Items [Income/(Expense)]</b>	31	-	330.67
<b>(E) Profit before tax (C+D)</b>		<b>(6,632.32)</b>	<b>(1,870.94)</b>
<b>(F) Share of Associates/Joint Ventures</b>		<b>10.65</b>	<b>3.95</b>
<b>(G) Profit /Loss Before Tax (E+F)</b>		<b>(6,621.67)</b>	<b>(1,866.99)</b>
<b>(H) Less: Provision for Tax</b>			
Current tax		1.62	46.24
Deferred tax		(786.55)	(162.46)
MAT Credit Utilized		-	-
<b>Total</b>		<b>(786.94)</b>	<b>(116.22)</b>
<b>(I) Profit/(Loss) from continuing operations (G-H)</b>		<b>(5,834.73)</b>	<b>(1,750.77)</b>
<b>(J) Other Comprehensive Income</b>			
(i) Item that will not be reclassified to profit or loss		15.55	408.16
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	28.78
<b>Other Comprehensive Items(Net of Tax)</b>	30	<b>15.55</b>	<b>436.94</b>
<b>(K) Total Comprehensive Income/(Loss) for the year (I+J)</b>		<b>(5,819.18)</b>	<b>(1,313.83)</b>
<b>(Comprising Profit/(Loss) and other comprehensive income for the year)</b>			
<b>(L) Profit/(loss) from discontinued operations</b>		-	-
<b>(M) Tax Expense of discontinued operations</b>		-	-
<b>(N) Profit/(Loss) from discontinued operations (after tax) (L+M)</b>		-	-
<b>(O) Other Comprehensive Income from discontinued business (net of tax) -</b>		-	-
<b>(P) Total Comprehensive Income from discontinued business (N+O)</b>		-	-
<b>(Q) Total Comprehensive Income (Comprising profit/Loss) and other Comprehensive income for the year (K+P)</b>		<b>(5,819.18)</b>	<b>(1,313.83)</b>
<b>Earnings Per Share (For continuing operation) (not annualized)</b>			
a) Basic	32	(1.15)	(0.26)
b) Diluted		(1.15)	(0.26)
<b>Earnings Per Share (For continued and discontinuing operations) (not annualized)</b>			
a) Basic		(1.15)	(0.26)
b) Diluted		(1.15)	(0.26)

**Significant Accounting Policies & Notes on Financial Statements 1 to 42**

As per our report of even date attached

**For Raj Gupta & Company**

Chartered Accountants

ICAI Firm Regd No-000203N

(Abhishek Gupta)

(Partner)

M.No. 530433

Place : New Delhi

Dated : 11th August, 2020

**Sanjay Tikku**

Director

**Sandeep Singh Surya**

Chief Financial Officer

**Vivek Malik**

Director

**Mona Bahadur**

Company Secretary





**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit as per Profit & Loss Account (PBT)	(6,632.32)	(1,866.99)
Share of Profit from Joint ventures	(10.65)	(3.95)
Add: Depreciation & Amortisation	4,324.10	3,860.31
Less: Additional Depreciation	-	(699.00)
Add: Diminution in value of Inventories	-	380.00
Add: Provision for doubtful debts	-	522.63
Add: Financial Expenses	2,324.51	2,900.56
Less: Dismantalling provision writtenback	-	(11.67)
Less: Profit on sales of Property Plant & Equipments	(51.83)	(58.56)
Less: Interest Received & Other Income	(46.19)	4,945.30
<b>Change in Current / Non Current Liabilities:</b>		
(Increase)/Decrease in Inventories	2,306.94	(3,423.79)
(Increase)/Decrease in Trade Receivables	1,439.01	(1,226.89)
(Increase)/Decrease in Other Non-Current Assets	511.16	(713.30)
(Increase)/Decrease in Other Current Assets	2,633.08	1,318.74
(Increase)/Decrease in Trade Payable	(727.07)	2,479.63
Increase/(Decrease) in Current Liabilities	833.52	3,627.20
Increase/(Decrease) in Provisions	489.78	609.15
<b>Cash generation from operations activities</b>	<b>7,240.23</b>	<b>7,616.04</b>
Direct Tax Paid	31.36	(498.05)
<b>Net cash from operating activities</b>	<b>7,271.59</b>	<b>7,117.99</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition to Fixed Assets	(5,029.71)	(2,204.16)
Adjustment in Capital work in progress	118.08	164.22
Addition due to acquisition	-	(5,829.11)
Interest Received & Other income	51.83	61.17
Proceed from sale of fixed assets	-	677.50
(Purchase) / Sales of investments (Net)	(10.65)	-
Exchange Diff and Dismantalling reversal	-	239.86
<b>Net Cash from Investing activities</b>	<b>(4,870.45)</b>	<b>(6,890.52)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Equity Share Capital & Share Premium	-	-
(Repayment) / Disbursement of Long Term borrowings and Short Term borrowings	(48.03)	1,832.55
Finance Charges Paid	(2,324.51)	(1,728.61)
<b>Net Cash from financing activities</b>	<b>(2,372.54)</b>	<b>103.94</b>
<b>Net cash flows during the year (A+B+C)</b>	<b>26.60</b>	<b>331.41</b>
<b>Cash &amp; cash equivalents (opening balance)</b>	<b>441.38</b>	<b>109.97</b>
<b>Cash &amp; cash equivalents (closing balance)</b>	<b>469.98</b>	<b>441.38</b>

As per our report of even date attached

**For Raj Gupta & Company**

Chartered Accountants

ICAI Firm Regd No-000203N

**(Abhishek Gupta)**

(Partner)

M.No. 530433

Place : New Delhi

Dated : 11th August, 2020

**Sanjay Tiku**

Director

**Sandeep Singh Surya**

Chief Financial Officer

**Vivek Malik**

Director

**Mona Bahadur**

Company Secretary



**Statement of Changes in Other Equity**

**A. Equity Share Capital**

(Rupees in Lakhs)

Particulars	Balance as at 01.04.2018	Changes during the Period	Balance as at 31.03.2019
503,832,140 Equity Shares of Rs. 1/- each	5,038.32	-	5,038.32

Particulars	Balance as at 01.04.2019	Changes during the Period	Balance as at 31.03.2020
03,832,140 Equity Shares of Rs. 1/- each	5,038.32	-	5,038.32



**B. Other Equity**

(Figures in Lakhs)

Particulars	Reserve and Surplus					Other Comprehensive Income		Total
	Capital Reserve	Capital Reserve pursuant to consolidation	Securities Premium Reserve	Equalisation Reserve	General Reserve	Retained Earnings	Reclassification of actuarial gains/(losses), on account of Defined Employee Benefit Obligation	Foreign Currency Translation Reserve
As at 01.04.2019	525.50	2,305.32	599.41	-	1,080.83	8,117.86	(127.35)	500.39
Profit/Loss during the year	-	-	-	-	-	(5,847.12)	-	-
Total Comprehensive Income for the year	-	-	-	-	-	-	-	27.94
Additions due to Acquisition	-	991.39	-	-	-	-	-	-
As at 31.03.2020	525.50	3,296.71	599.41	-	1,080.83	2,270.74	(127.35)	538.33
								13,001.96
								(5,847.12)
								27.94
								991.39
								8,174.17

Particulars	Reserve and Surplus					Other Comprehensive Income		Total
	Capital Reserve	Capital Reserve pursuant to consolidation	Securities Premium Reserve	Equalisation Reserve	General Reserve	Retained Earnings	Reclassification of actuarial gains/(losses), on account of Defined Employee Benefit Obligation	Foreign Currency Translation Reserve
As at 01.04.2018	24,136.13	-	599.41	(442.54)	1,109.33	(24,373.52)	(6,662.91)	-
Inter-transfer	(23,610.63)	23,610.63	-	-	-	-	-	-
De-consolidation of subsidiary	-	(23,610.63)	-	442.54	(28.50)	34,242.15	6,599.01	-
Profit/Loss during the year	-	-	-	-	-	(1,750.77)	-	-
Total Comprehensive Income for the year	-	-	-	-	-	-	(63.45)	500.39
Additions due to Acquisition	-	2,305.32	-	-	-	-	-	-
As at 31.03.2019	525.50	2,305.32	599.41	-	1,080.83	8,117.86	(127.35)	500.39
								13,001.96
								(5,847.12)
								27.94
								991.39
								8,174.17

**Significant Accounting Policies & Notes on Financial Statements 1 to 42**

As per our report of even date attached

**For Raj Gupta & Company**

Chartered Accountants

ICAI Firm Regd No-000203N

(Abhishek Gupta)

(Partner)

M.No. 530433

Place : New Delhi

Dated : 11th August, 2020

**Sanjay Tikku**

Director

**Sandeep Singh Surya**

Chief Financial Officer

**Vivek Malik**

Director

**Mons Bahadur**

Company Secretary

**For and on Behalf of the Board**



## **Notes forming part of the Consolidated financial statements**

### **1. Company Overview**

JMT Auto Limited incorporated as Public Limited Company is into the business of manufacturing of Auto Components. The core competency of the Company is into manufacturing of Gear and Transmission parts. The Manufacturing facilities are located in Jamshedpur, Jharkhand and Dharwad, Karnataka. The shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange.

Company has its Registered Office at 3, Local Shopping Centre, Pamposh Enclave, G.K.-1, New Delhi.

### **2. Significant Accounting Policies**

#### **2.1 Basis of preparation of financial statements**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accounting policies have been consistently applied except where a newly issued Indian accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### **2.2 Use of estimates**

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

##### **2.2.1 Useful lives of property, plant and equipment & Capital Work in progress.**

Company reviews the life of property plant and equipment at the end of each reporting period and more frequently. This re-assessment may result in change in depreciation expense in future periods.





### **2.2.2 Valuation of deferred tax assets / liabilities / MAT Credit**

The company reviews the carrying amount of deferred tax assets/ Liabilities at the end of each reporting period.

### **2.2.3 Provisions and contingent liabilities**

A provision is recognized when the company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements, however when the realization is virtually certain then the related asset cease to be a contingent asset and therefore recognized. However, the detail of existing contingencies as on 31st March, 2020 is provided Note no. 29.5.

## **2.3 Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivables. Amounts disclosed as revenue are exclusive of excise duty/GST and net of returns, trade allowances, rebates, discounts, value added taxes. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

### **Sale of goods**

Sales are recognised when substantial risk and rewards of ownership are transferred to customer as per the terms of the contract, there is no continuing managerial involvement with the goods. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. In case of domestic customer, sales take place when goods are dispatched or delivery is handed over to transporter, in case of export customers, sales takes place when goods are shipped on board based on bill of lading.

### **Revenue from Services**

Revenue from services is recognised in the accounting period in which the services are rendered.

### **Other operating revenue - Export incentives**

Revenue in respect of export incentives is recognised when such incentives accrue upon export of goods.



## **2.4 Principles of Consolidation and Equity Accounting**

Consolidated financial statements are the financial statements of the group in which assets, liabilities, equity, income, expenses and cash flows of the parent and its subsidiaries are presented as those of a single economic entity.

### **(I) Subsidiaries**

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls the entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date the control ceases. The group combines the financial statements of the parent and its subsidiaries line by line, adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealized gains all transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of impairment of the transferred assets. Accounting policies of subsidiaries have been changed wherever considered necessary to ensure consistency with the policies adopted by the group. Noncontrolling interest in the results and equity of subsidiaries are shown separately in the consolidated statement of the profit and loss, consolidated statement of changes in equity and balance sheet respectively.

### **(ii) Associates**

Associates are all entities over which the group has significant influence but does not have control or joint control. This is generally a case where the group holds between 20%-50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognized at cost.

### **(iii) Joint Ventures**

Interest in Joint ventures are accounted for using the equity method, after initially being recognized at cost in the consolidated balance sheet.



#### **(iv) Equity Method**

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment. When the Group's share of losses in equity-accounted investments equals or exceeds its interest in the entity, including any other unsecured long term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealized gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The carrying amount of equity accounted investments are tested for impairment.

#### **(v) Changes in ownership interests**

The Group treats transactions with non-controlling interests which does not result in loss of control as transaction with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of adjustment to non-controlling interests and any consideration paid or received is recognized within equity. When the Group ceases to consolidate or equity account for an investment because of loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognized in profit or loss. The fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of related assets or liabilities. If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.





## **2.5 Foreign Currency Translations**

Consolidated financial statements are the financial statements of the group in which assets, liabilities, equity, income, expenses and cash flows of the parent and its subsidiaries are presented as those of a single economic entity.

### **(I) Functional and Presentation Currency**

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

### **(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as part of the entity's net investment in that foreign operation. Foreign exchange differences regarded as adjustment to borrowing cost are presented within finance cost. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/losses. Non-monetary assets and liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

### **(iii) Group Companies**

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations that have a functional currency other than Indian rupees are translated into Indian rupees using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income and held in foreign currency translation reserve (FCTR), a component of equity, except to the extent that the translation difference is allocated to non-controlling interest.





### **Employee benefits**

• **Long - Term Employee Benefits** The liability for gratuity & leave encashment is determined using Projected Unit Credit [PUC] Method and is accounted for on the basis of actuarial valuation in Accordance with IND AS - 19. The company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Actuarial Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. The current service cost is included in the employee benefit expense in the statement of profit & loss account. The interest cost calculated by applying the discount rate to the net balance of defined benefit obligation, is included in the finance cost in the statement of profit & loss account.

• **Short-Term Employee Benefits** Short - term employee benefits include performance incentive, salaries & wages, bonus and leave travel allowance. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the services.

### **2.7 Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. Processing fee paid for borrowings is amortized over the term of long term loan through statement of profit & loss. All other borrowing costs are expensed in the period in which they occur.

### **2.8 Depreciation & Amortization**

The company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. Depreciation methods, useful lives and residual values are reviewed at each reporting period. Depreciation on additions/deductions to property, plant and equipment is provided on pro-rata basis from the date of actual installation or up to the date of such sale or disposal, as the case may be. Leasehold assets are amortized equally over the period of their lease.

### **2.9 Impairment of Assets**

#### **i) Financial assets (other than at fair value)**

The company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction.



**ii) Non-financial assets**

**Property, Plant & equipment and Intangible Assets** Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit or loss. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

**2.10 Non-Current Assets held for sale/ Discontinued Operations**

The Group classifies non-current assets and disposal groups as held for sale, if their carrying amounts is likely to be recovered principally through a sale rather than through continuing use and there is a commitment from the management to sale the above assets within one year from the date of classification. The asset is regarded as held for sale only when the assets or disposal group is available for immediate sale in its present condition, subject only to the terms that are usual and customary for sales and its sale is highly probable and also it will genuinely be sold, not abandoned. Non-current assets held for sale to owners and disposal groups are measured at lower of their carrying amount and the fair value less cost to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet. Property, plant and equipment and intangible assets held for sale, once classified as held for sale are not further depreciated or amortized. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.



## **2.11 Income taxes**

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Minimum Alternative Tax [MAT] paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal income tax in future periods. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that future economic benefits associated with it flow to the company and the asset can be measured reliably.

## **2.12 Property, plant and equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation / amortization and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The cost of property, plant & equipment also includes initial estimates of dismantling cost and restoring the site to its original position, on which the site is located.

## **2.13 Financial Instruments**

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets (Except Net Investments) and financial liabilities (Except Borrowings) are recognized at fair value on initial recognition, except for trade receivables and security deposits, which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a





business combination, which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts are approximately at fair value due to the short maturity of these instruments. Trade receivables, loans and advances which also includes balances from group entities are subject to confirmation and reconciliation. Fair value of investments have not been considered in the books of account. **De-recognition of financial instruments** The company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under IND AS 109. A financial liability (or a part of a financial liability) is de-recognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

## **2.14 Borrowings**

Borrowings are initially measured at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Preference shares are separated into liability and equity components based on the terms of the issue / contract. On issuance of the preference shares, the fair value of the liability component is determined using a market rate for an equivalent instrument. This amount is classified as financial liability and is measured at amortized cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is recognized and included in equity. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the equity component is not re-measured in subsequent years. In view of default in payment of interest/repayment of instalments, all term loans/NCD's and ECB'S have become payable on demand and therefore, have been taken to the head "Other Current Financial Liability".

## **2.15 Investments**

### **a) Investment in subsidiaries**

Investments in subsidiaries are valued at Cost less impairment (In conformity with IND AS 110).

### **b) Investment in associates / Joint Ventures**

Investment held by the company in associates/joint ventures have been valued at Cost less impairment (In conformity with IND AS 110).





**c) Investment - Others**

**Current Investments** Quoted financial assets have been classified as FVTOCI and unquoted financial assets have been classified as Fair Value through Profit & Loss [FVTPL].

**Non-Current Investments** Quoted long term investments have been classified as FVTOCI and unquoted long term investments are have been classified as FVTPL.

**2.16 Provisions**

A provision is recognized if, as a result of a past event, the group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

**2.17 Inventories**

- Raw Material, Goods under process and Finished Goods are valued at cost (Net of provision for diminution) or \*Net Realizable value, whichever is lower.
- Waste and Scrap is valued at Net Realizable Value.
- Cost of inventories also included all other costs incurred in bringing the inventories to their present location and condition.
- Cost of goods under process comprise of cost of materials and proportionate production overhead. Cost of material for this purpose is ascertained on FIFO basis.
- Provision for obsolescence in inventories is made, whenever required.\*Net Realizable Value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

**2.18 Earnings per equity share**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the



outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

## **2.19 Dividends**

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Furthermore, unpaid/ unclaimed dividend are transferred to unpaid dividend account and on expiration of 7 years period, same are deposited in Investor Education and Protection Fund.

## **2.20 Leases**

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the Statement of Profit and Loss over the lease term.

## **2.21 Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.



## 2.22 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: In the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the Consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the Consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- \* Disclosures for valuation methods, significant estimates and assumptions
- \* Quantitative disclosures of fair value measurement hierarchy
- \* Investment in unquoted equity shares
- \* Financial instruments



## **2.23 Current versus non-current classification**

All assets and liabilities have been classified as current or non-current as per company's normal operating cycle and other criteria set out in the Schedule III to the Act.

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.







**NON CURRENT FINANCIAL ASSETS**

**Note : 04 Investments**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>1. Investment in Equity instruments of Joint Ventures and Associates - UnQuoted</b>		
<b>Amtek Riken Casting Private Limited</b>	721.72	711.07
70,00,000(FY 2019-70,00,000, FY 2018-70,00,000) Equity Shares of Rs 10/- Each		
Less: Impairment		
<b>2. Investment in Equity Instruments of Overseas Subsidiaries- Unquoted</b>		
(i) 10000(Nil) Equity shares Amtek Metallic Systems Pte Ltd. of 1/- SGD Each	-	-
(ii) Nil (10) Equity Shares of Amtek Machining Systems Pte Ltd. of SGD 1/- each	-	-
<b>3. Other Investment in Equity Investment- Others</b>		
(i) 10,000 (10,000) equity shares of Nicco Jubilee Park Limited Rs 10 each fully paid up	1.00	1.00
Less: Impairment	(1.00)	(1.00)
(ii) 10,000 (10,000) equity shares of Jaimex International Pvt Ltd Rs 10 each fully paid up	1.00	1.00
Less: Impairment	(1.00)	(1.00)
(iii) 600 (600) equity shares of Adityapur Auto Cluster Rs 1000/- each fully paid up	6.00	6.00
<b>4. Other Investment in Equity Instruments at Fair Value through Profit &amp; Loss</b>		
10 (Nil) Equity Shares of Amtek Machining Systems Pte Ltd. of SGD 1/- each		
<b>5. National Savings Certificate</b>	0.15	0.15
<b>Total</b>	<b>727.87</b>	<b>717.22</b>

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Aggregate Value of Unquoted Investment	727.97	717.22
- In subsidiaries	-	-
- In Joint Ventures	721.72	711.07
- In others	8.00	8.00
Other Investments	0.15	0.15
Aggregate amount of Impairment in value of Investments	(2.00)	(2.00)

**Note:**

The holding company is holding investment in Amtek Machining Systems Pte Limited (AMSPL) which is being officially managed, including the maintenance of books of accounts, by its subsidiary Rege Holdings. Rege holdings has gone into receivership and pursuant to this the Holding company lost control over AMSPL. Consequently the financial statement or other financial data for the year ended 31st March 2019 of AMSPL, Which is operationally managed by Rege holding, are not available with the current management of the company. Pursuant to loss of control over AMSPL and its investment has henceforth been classified as FVTPL at Nil Value.



**NON CURRENT FINANCIAL ASSETS**

**Note : 05 Other Financial Asset** (Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Security Deposit	706.80	691.04
<b>Total</b>	<b>706.80</b>	<b>691.04</b>

**Note : 06 Other Non-Current Assets** (Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Capital advance</b>		
Unsecured, Considered Good	124.18	648.59
<b>Others</b>		
Advance Tax net of provision	232.89	210.56
Prepaid Expenses	32.76	57.60
<b>Total</b>	<b>389.83</b>	<b>916.75</b>

**Note : 07 Inventories (As Certified by Management)** (Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Raw Material	2,412.56	2,580.40
Work in Progress	9,343.27	11,084.32
Finished Goods	1,194.15	1,540.25
Consumables (stores and spares)	757.18	809.13
<b>Total</b>	<b>13,707.16</b>	<b>16,014.10</b>

**Note : 08 Trade Receivables** (Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Not Due	1,069.69	2,235.22
0-30 days	420.05	652.40
31-60 days	98.62	108.01
61-90 days	81.05	176.85
91-180 days	156.93	2,745.47
More than 180 days	2,702.63	50.03
<b>Total</b>	<b>4,528.97</b>	<b>5,967.98</b>



**Note : 09 Cash and Cash Equivalents**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Cash on Hand	2.48	6.59
Balance with Schedule Banks		
- Current accounts	345.09	270.90
- EEFC Account	-	2.96
- Fixed Deposits	120.31	155.08
Earmarked Balances		
- Balance in banks against unpaid dividend	2.10	5.85
<b>Total</b>	<b>469.98</b>	<b>441.38</b>

\*Cash and cash Equivalents as on 31st March 2020 and 31st March 2019 includes restricted bank balances of Rs 2.10 Lakhs and Rs 5.85 Lakhs respectively. The restricted is primarily on account of cash and bank balances held on account of Unpaid Dividends.

**Note : 10 Other Current Financial Assets**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Staff advances	15.49	14.80
Interest accrued on deposits	41.05	38.59
Security Deposit	2.40	23.88
<b>Total</b>	<b>58.94</b>	<b>77.27</b>

**Note : 11 Other Current Assets**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Loans & Advances		
Unsecured, Considered Good :		
Advance to parties	1,124.03	3,239.67
Prepaid expenses	69.07	78.63
Balance with Revenue Authorities (Indirect taxes)	158.59	660.99
Income Tax Refund	31.36	18.50
<b>Total</b>	<b>1,383.05</b>	<b>3,997.79</b>





**Note : 12 Assets held for sale**

(Rupees in Lakhs)

Particulars	As at	As at
	31.03.2020	31.03.2019
Assets held for sale		
Less: De-consolidated	-	16,380.37
Balance	-	16,380.37
	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note : 13 Share Capital**

(Rupees in Lakhs)

Particulars	As at	As at
	31.03.2020	31.03.2019
<b>Authorized</b>		
525000000 (525,000,000 Equity Shares of Re. 1 each)	5,250.00	5,250.00
<b>Total</b>	<b>5,250.00</b>	<b>5,250.00</b>

**Issued, Subscribed and Paid - Up**

**Equity Shares**

(31.03.2020: 503,832,140 Equity Shares of Re. 1 each)	5,038.32	5,038.32
(31.03.2019: 503,832,140 Equity Shares of Re. 1 each)		
<b>Total</b>	<b>5,038.32</b>	<b>5,038.32</b>

**Note : 13.1 The reconciliation of the number of shares outstanding and amount of share capital as at 31.03.2020 and 31.03.2019 is set out below:**

**Equity Shares** (Rupees in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	Amount	Number of Shares	Amount
Number of shares at the beginning	503,832,140.00	5,038.32	503,832,140.00	5,038.32
Add: Bonus Shares Issued during the year	-	-	-	-
Add: Stock Split of Rs. 10 shares into Rs. 2 shares during the year	-	-	-	-
Add: Stock Split of Rs. 2 shares into Rs. 1 shares during the year	-	-	-	-
<b>Number of Shares at the end</b>	<b>503,832,140.00</b>	<b>5,038.32</b>	<b>503,832,140.00</b>	<b>5,038.32</b>



**Note : 13.2 Rights, preferences and restrictions attached to shares**

The company has one class of equity shares having a par value of Rs. 1 per share. Each shareholder is eligible for one vote per share held. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**Note : 13.3 Shares held by holding/ultimate holding company and or their subsidiaries/ associates**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Amtek Auto Limited	336,412,200.00	336,412,200.00
WLD Investments Pvt. Ltd.	-	25,000,000.00

**Note : 13.4 Details of Shareholders Holding more than 5% Share Capital**

(Rupees in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	% of Holding	Number of Shares	% of Holding
<b>1. Equity Shares</b>				
Amtek Auto Limited	336,412,200	66.77%	336,412,200	66.77%
Lts Investment Fund Ltd	28,092,267	5.58%	28,092,267	5.58%
	<u>364,504,467</u>	<u>72.35%</u>	<u>364,504,467</u>	<u>72.35%</u>

**Note : 13.5 Detail of bonus shares issued during the last five years (In Numbers)**

(Rupees in Lakhs)

Nature	31.03.2020	31.03.2019	31.03.2018	31.03.2017	31.03.2016
Equity Shares	NIL	NIL	NIL	NIL	NIL



**Note : 13.6 Other Equity**

(Rupees in Lakhs)

Particulars		As at 31.03.2020	As at 31.03.2019
<b>Capital Reserve</b>			
Opening Balance as on 01.04.2019		525.50	525.50
Addition/ (deduction) during the period (net)		-	-
<b>Closing Balance as on 31.03.2020</b>	<b>(A)</b>	<b>525.50</b>	<b>525.50</b>
<b>Securities Premium Reserve</b>			
Opening Balance as on 01.04.2019		599.41	599.41
Addition/ (deduction) during the period (net)		-	-
<b>Closing Balance as on 31.03.2020</b>	<b>(B)</b>	<b>599.41</b>	<b>599.41</b>
<b>General Reserve</b>			
Opening Balance as on 01.04.2019		1,080.83	1,080.83
Addition/ (deduction) during the period (net)		-	-
<b>Closing Balance as on 31.03.2020</b>	<b>(C)</b>	<b>1,080.83</b>	<b>1,080.83</b>
<b>Profit &amp; Loss Account</b>			
Opening Balance as on 01.04.2019		8,490.91	(31,036.43)
Transfer of retained earnings on de-consolidation of Subsidiary		-	40,841.16
Addition/ (deduction) during the period (net)		(5,819.20)	(1,313.83)
<b>Surplus available for appropriation</b>	<b>(D)</b>	<b>2,671.71</b>	<b>8,490.91</b>
<b>Capital Reserve in pursuance of consolidation</b>			
Opening Balance as on 01.04.2019		2,305.31	-
Addition/ (deduction) during the period (net)		991.39	2,305.32
<b>Closing Balance as on 31.03.2020</b>	<b>(E)</b>	<b>3,296.70</b>	<b>2,305.32</b>
<b>Total (A+B+C+D+E)</b>		<b>8,174.15</b>	<b>13,001.95</b>

**Note : 14 Long Term Borrowings**

(Rupees in Lakhs)

Particulars		As at 31.03.2020	As at 31.03.2019
<b>SECURED LOANS</b>			
<b>Term Loans</b>			
From Banks & Financial Institutions		4,033.56	5,167.77
<b>UNSECURED LOANS</b>			
From Customers		53.33	-
<b>Total</b>		<b>4,086.89</b>	<b>5,167.77</b>

**Note : 15 Long Term Provisions**

(Rupees in Lakhs)

Particulars		As at 31.03.2020	As at 31.03.2019
<b>(i) Provision for Employee Benefits</b>			
Gratuity		262.62	152.37
Leave Encashment		81.39	86.78
<b>(ii) Others</b>			
Dismantling		-	75.05
<b>Total</b>		<b>344.01</b>	<b>314.20</b>



**Note : 16 Deferred Tax Liabilities (Net)**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Deferred Tax Liabilities</b>		
On account of Depreciation of Fixed Assets	1,851.21	2,548.38
<b>Deferred Tax Asset</b>		
Provision for Gratuity	(91.77)	(53.24)
Provision for Compensated absence	(30.06)	(32.29)
On account of carry forward losses/amortisation expenses	(121.83)	(85.53)
<b>Net Deferred Tax Liability</b>	<b>1,729.38</b>	<b>2,462.85</b>

**Note : 17 Short Term Borrowings**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
<b><u>SECURED LOANS</u></b>		
<b>Bank Borrowing for Working Capital</b>		
- From Banks	10,583.23	9,550.38
<b>Total</b>	<b>10,583.23</b>	<b>9,550.38</b>

**Note : 18 Trade Payables**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
(A) Total o/s dues of Micro and Small Enterprises	-	-
(a) The principle amount relating to micro and small enterprises	-	-
(b) The interest amount due but not paid	-	-
(c) The amount of the interest paid by the buyer in terms of section 16 of the Micro, Small and Medium	-	-
(d) The amount of the interest due and payable for the period of delay in making payment (which have been	-	-
(e) The amount of the interest accrued and remaining unpaid at the end of each accounting year	-	-
(f) The amount of further interest remaining due and payable even in the succeeding year, untill such date	-	-
<b>(B) Total o/s dues of creditor other than micro and small enterprises</b>		
Trade Payables (Including acceptances)	5,069.24	5,796.31
<b>Total</b>	<b>5,069.24</b>	<b>5,796.31</b>





Note: The company has not received any communication from all of its suppliers/service providers in response to letters issued by the company, confirming whether or not they are registered under the MSME ACT 2006. In the absence of any positive confirmation from the supplier/service provider, the information as required to be disclosed under the MSME ACT 2006 could not be determined.

**Note : 19 Other Financial Liabilities**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Current Maturity of Long Term Borrowings	4,505.81	2,743.82
Unpaid Dividend	2.10	5.85
Interest accrued & due on borrowings	-	1,023.77
Other Employee benefit payable	1,267.43	186.73
<b>Total</b>	<b>5,775.34</b>	<b>3,960.17</b>

**Note : 20 Other Current Liabilities**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Other Liabilities	1,653.83	4,026.48
Creditors for capital goods	97.55	152.09
Statutory Dues	520.97	357.13
<b>Total</b>	<b>2,272.35</b>	<b>4,535.70</b>

**Note : 21 Short Term Provisions**

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Provision for Leave Encashment	111.86	41.17
<b>Total</b>	<b>111.86</b>	<b>41.17</b>



**Note : 22 Current Tax Liabilities (Net)**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Provision for Income Tax	420.64	-
<b>Total</b>	<b>420.64</b>	<b>-</b>

**Note : 23 Assets/Liabilities Held for Sale**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Liabilities held for sale	-	34,024.94
Less : De-Consolidated during the year	-	34,024.94
Balance	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note : 24 Revenue From Operations**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Sales of Products		
Domestic	29,859.41	47,898.35
Export	3,079.96	6,877.53
Other Sales & Services	2,123.56	2,983.33
<b>Total</b>	<b>35,062.93</b>	<b>57,759.21</b>

**Note : 25 Other Income**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Interest	51.83	58.56
Net Gain on Foreign currency transaction	94.78	132.58
Gain on disposal of fixed assets	0.32	0.23
Other Misc. Income	2,501.91	56.28
<b>Total</b>	<b>2,648.84</b>	<b>247.65</b>



**Note : 26. Cost of Material Consumed**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Opening Stock of Raw Material	2,580.40	2,254.59
Adjustment on account of acquisition of subsidiary		6,622.87
<b>Add : Purchases of Raw Material</b>	<b>13,282.58</b>	<b>24,057.43</b>
	<b>15,862.98</b>	<b>32,934.89</b>
<b>Less : Closing Stock of Raw Material</b>	<b>2,412.56</b>	<b>2,580.40</b>
Foreign currency movement	17.36	(5,970.41)
<b>Total</b>	<b>13,467.78</b>	<b>24,384.08</b>

**26.1 Imported and Indigenous Raw materials**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
<b>Raw material</b>		
Consumption of imported Raw material (Percentage of Consumption of Raw Material)	0.00%	0.00%
Consumption of similar domestic Raw material (Percentage of Consumption of Raw Material)	100.00%	100.00%
<b>Total Consumption of Raw material</b>	<b>13,467.78</b>	<b>24,384.08</b>

**Note : 27 Changes in Inventories of Finished Goods, Work  
In Progress & Stock In Trade**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
<b><u>Opening Stock as on 01-04-2019</u></b>		
- Work in Progress	11,084.33	9,681.64
- Finished Goods	1,540.25	407.69
- Adjustment on account of acquisition of subsidiary	-	1,273.73
<b><u>Less : Closing Stock as on 31-03-2020</u></b>		
- Work in Progress	9,343.27	11,084.32
- Finished Goods	1,194.15	1,540.25
- Foreign currency movement	71.53	(54.01)
	<b>2,158.69</b>	<b>(1,315.52)</b>
<b>Less : Transferred to Exceptional items</b>		<b>380.00</b>
<b>Total</b>	<b>2,158.69</b>	<b>(1,695.52)</b>



**Note : 28 Employee Benefit Expenses**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Salaries and Wages	8,833.45	9,525.55
Other Contribution and staff welfare expenses	242.68	262.14
<b>Total</b>	<b>9,076.13</b>	<b>9,787.69</b>

\*Including director's salary Rs 82.26 Lakhs in 2020 and Rs 72.31 Lakhs in 2019.

**Note : 29 Finance Costs**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Interest Expenses :	2,324.51	2,908.33
Short term loan	1,907.43	2,403.07
Long term loan	417.07	505.26
Interest on dismantling	-	(13.75)
Interest on Employee Benefit Expenses	-	5.99
<b>Total</b>	<b>2,324.51</b>	<b>2,900.57</b>

**Note : 30 Depreciation and Amortisation Expenses**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Depreciation and amortisation	4,324.10	3,147.46
<b>Total</b>	<b>4,324.10</b>	<b>3,147.46</b>





**Note : 31 Other Expenses**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
<b><u>A) Manufacturing Expenses</u></b>		
Consumables & Store spares	1,207.46	2,720.99
Power & Fuel	3,656.08	5,852.95
Freight Inwards	116.43	227.08
Labour Charges & Job Work	3,962.85	6,676.32
Repairs of Plant & Machinery	698.67	769.87
Other Manufacturing Expenses	251.90	253.66
<b>Total Manufacturing Expenses (A)</b>	<b>9,893.40</b>	<b>16,500.87</b>
<b><u>B) Administrative Expenses &amp; Selling Expenses</u></b>		
Auditor's Remuneration	14.00	14.00
Bank Charges	85.54	93.52
Business promotion Expenses	4.51	17.20
Insurance Charges	178.43	150.06
Membership & Subscription Exp.	1.08	0.83
Rate, Fee & Taxes	43.88	10.72
Rent	61.58	778.31
Repairs of Building & Others	165.05	261.51
Telephone, Postage & Courier Expenses	8.92	7.73
Travelling & Conveyance	117.76	181.94
Freight Outwards	1,573.66	347.88
Car/ Bus hire charges	50.20	71.17
Bad/Doubtful Debts	-	522.63
Miscellaneous Exp	763.36	473.48
Office and administration expenses	-	125.89
Legal & Professional Expenses	-	286.39
<b><u>Selling &amp; Distribution Expenses</u></b>		
Discount Allowed	31.51	1,127.23
<b>Total Administrative &amp; Selling Expenses (B)</b>	<b>3,099.48</b>	<b>4,470.49</b>
<b>Total (A + B)</b>	<b>12,992.88</b>	<b>20,971.36</b>

**Note : 31.1 Auditor's Remuneration**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Auditors Payments		
As Auditor	14.00	14.00
For Taxation Matters	-	-
For Reimbursement of Expenses	-	-
<b>Total</b>	<b>14.00</b>	<b>14.00</b>



**Note : 31.2 Expenditure in Foreign Currency**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Travelling	1.95	5.71
Interest, Legal and other Expenses	-	-
<b>Total</b>	<b>1.95</b>	<b>5.71</b>

Note: Travelling expenditure in foreign currency includes directors travelling.

**Note : 31.3 Value of Imports calculated on C.I.F. basis**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Raw Material	-	-
Components and spare parts	22.05	105.68
Capital goods	-	-
<b>Total</b>	<b>22.05</b>	<b>105.68</b>

**Note : 31.4 Earnings in Foreign Exchange**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Export/ Deemed export of Goods Calculated on F.O. B. basis	3,079.96	6,877.53
<b>Total</b>	<b>3,079.96</b>	<b>6,877.53</b>

**Note : 31.5 Contingent Liabilities and Commitments (To the extent not provided for)**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Bank Guarantees issued by bank on company's behalf	97.45	80.59
Capital Cenvat availed in EOU units, Dharwad.	444.00	444.00
<b>Total</b>	<b>541.45</b>	<b>524.59</b>



**Note : 31.6 Imported and indigenous spare parts and components** (Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
<b>Spares parts and components</b>		
Consumption of imported spares parts and components	22.05	102.85
(Percentage of Consumption of spares parts and components)	1.83%	3.78%
Consumption of similar domestic spares parts and components	1,185.41	2,618.14
(Percentage of Consumption of spares parts and components)	98.17%	96.22%
<b>Total</b>	<b>1,207.46</b>	<b>2,720.99</b>

**Note : 31.7 Capital Commitments** (Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net)	130.30	147.10

**Note : 32 Other Comprehensive Income (OCI)** (Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
<b>Effects of transition of Ind AS on Defined Benefit Plans:</b>		
Items that will not be reclassified to Profit and Loss		
i) Reclassification of actual gains/(losses), arising in respect of Earned Leave	63.08	-
ii) Deferred Tax effect on the above	-	-
iii) Reclassification of actual gains/(losses), arising in respect of Gratuity	(47.53)	408.16
iv) Deferred Tax effect on the above	-	28.78
<b>Total</b>	<b>15.55</b>	<b>436.94</b>

**Note : 33 Provision for Taxation** (Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
<b>Income Tax Expense:</b>		
1. Current Tax	1.62	46.24
2. Previous Year Income Tax	-	-
3. Mat Credit Utilised	-	-
4. Deferred Tax	(788.55)	(162.46)
<b>Total</b>	<b>(786.94)</b>	<b>(116.22)</b>



**Note : 34 Exceptional Items**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Impairment of Investment	-	-
Diminution in Value of Old stock	-	(380.00)
Provision for Dismantelling written back	-	11.67
Depreciation overcharged in previous years	-	699.00
<b>Total</b>	<b>-</b>	<b>330.67</b>

**Note : 35 Earnings Per Share**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Net Profit for the Year (Rupees in Lakhs)	(5819.18)	(1,313.85)
Average number of equity shares (Face Value Rs. 1/- each) for basic EPS	5,038.32	5,038.32
Average number of equity shares (Face Value Rs. 1/- each) for diluted EPS	5,038.32	5,038.32
Basic earnings per share (Rs.)	(1.15)	(0.26)
Diluted earnings per share (Rs.)	(1.15)	(0.26)

**Note : 36 Related Party Transaction**

In accordance with the requirements of Indian Accounting Standard (Ind AS-24) the name of the related parties control exists and/or with whom transactions have taken place during the period and description of relationships is identified and certified by the management are as hereunder:

A	Name of related party	Relationship	
	Amtek Auto Limited	Holding Company	
	Amtek Metallic Systems Pte Ltd	Subsidiary Company	
	Amtek Riken Casting Pvt. Ltd.	Associate Company	
B	KMP's	Designation	Rs. in Lakhs
	1. Sanjay Tiku	CEO	66.40
	2. Sandeep Singh	CFO	25.03
	3. Mona Bahadur	CS	7.28





Particulars	(Rupees in Lakhs)	
	Year Ended 31.03.2020	Year Ended 31.03.2019
Associate Companies		
a) Purchase of material/ finished goods	-	56.96
b) Sale of finished goods and Job working	-	-
c) Services availed including Job charges	-	-
d) Investments made	-	0.09
e) Purchase of Fixed Assets	-	-
f) Sale of Fixed Asset	-	-
g) Total of transactions during the year	-	57.05
h) Loans Taken	-	-
i) Loans repaid	-	-
Interest Expense	-	-
Balance at the end of the year	-	-
j) Other payables	-	-
k) Receivables	-	640.71
l) Loans Outstanding (including interest accrued)	-	-

**Note : 37 Analysis of assets and liabilities over which control was lost or not consolidated during the year: Amtek Machining Systems Pte Ltd.**

(Rupees in Lakhs)

Particulars	Amtek Machining Systems Pte Ltd.
Assets classified as held for sale/Assets included in disposal group(s) held-for-sale	-
<b>TOTAL-ASSETS</b>	-
Liabilities classified as held for sale/Assets included in disposal group(s) held-for-sale	-
<b>Sub Total Liabilities</b>	-
<b>Net Assets/(Liabilities) de-consolidated</b>	-
Gain / (Loss) on de-consolidation	-
Consideration received	-
Net Assets/(Liabilities) attributable to jmt Auto Limited	-
Cumulative reserves transferred to consolidated statement of profit and loss:	-
Capital reserve on consolidation	-
Equalisation Reserve	-
General Reserve	-
Debenture Redemption Reserve	-
Total reserves transferred to consolidated statement of profit and loss	-
Reclassification of actuarial gains/(losses)	-
<b>Net Profit / (Loss) on de-consolidation</b>	-



**Note : 38 Employee Benefits (Ind AS-19)**

The following data are based on the report of the actuary  
The principal assumptions used in the actuarial valuations are as below:-

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Discount rate	6.80%	7.65%
Future Salary Escalation Rate	7.00%	7.00%
Average Remaining working life (Years)	19.21	20.04
Retirement Age	58 / 60 years	58 / 60 years

**Gratuity (Funded)**

**i. Change in Net Defined Benefit obligations:**

	(Rupees in Lakhs)	
Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Net Defined Benefit liability as at the start of the period	567.26	409.40
Service Cost	52.17	41.34
Past service cost - plan amendments	-	-
Net Interest Cost (Income)	42.96	31.32
Actuarial (Gain) / Loss on obligation	45.62	90.59
Benefits Paid directly by the Company	-	(0.69)
Benefits paid from plan assets	(11.39)	(4.70)
<b>Present Value of Obligations as at the end of the period</b>	<b>696.62</b>	<b>567.26</b>

**ii. The Amount Recognised in the Income Statement.**

	(Rupees in Lakhs)	
Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Service Cost	52.17	41.34
Net Interest Cost	11.62	1.37
Expected Return on plan assets	-	-
Net Actuarial (Gain) / Loss recognized in the year	-	-
<b>Expenses recognised in the Income Statement</b>	<b>63.79</b>	<b>42.71</b>

**iii. Other Comprehensive Income (OCI)**

	(Rupees in Lakhs)	
Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Net cumulative unrecognized actuarial gain/(loss) opening	(45.62)	(90.59)
Actuarial (gain) / loss for the year on DBO	-	-
Actuarial gain / (loss) for the year on Asset	(1.91)	(1.64)
Net Actuarial (Gain) / Loss recognized in the year	47.53	92.23
<b>Unrecognized actuarial gain/(loss) at the end of the year</b>	<b>(47.53)</b>	<b>(92.23)</b>



**iv. Balance Sheet and related analyses**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Present Value of Obligation at the end of the year	(696.62)	(567.26)
Fair Value of Plan Assets	434.00	414.89
Unfunded Liability/Provision in Balance Sheet	-	-
Unrecognised Actuarial (Gain) / Losses	-	-
	<u>(262.62)</u>	<u>(152.37)</u>
Unfunded Liability Recognised in the Balance Sheet		

**v. Bifurcation of PBO at the end of year in current and non current.**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Current Liability (Amount due within one year)	-	-
Non Current Liability (Amount due over one year)	(262.62)	(152.37)
<b>Total</b>	<u>(262.62)</u>	<u>(152.37)</u>

**Leave Encashment (Unfunded)**

**i. Table Showing Change in Benefit obligations:**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Present value of obligation as at the start of the period	92.40	67.70
Current Service Cost	24.07	19.02
Interest Cost	6.98	4.62
Actuarial ( Gain) /Loss on obligation	(35.14)	16.35
Benefits Paid	(2.30)	(15.29)
<b>Present Value of Obligations as at the end of the period</b>	<u>86.01</u>	<u>92.40</u>

**ii. The Amount Recognised in the Income Statement.**

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Service Cost	24.07	19.02
Net Interest Cost	6.98	4.62
Expected Return on plan assets	-	-
Net Actuarial (Gain)/ Loss recognized in the period	-	-
<b>Expenses (Income) recognised in the Income Statement</b>	<u>31.05</u>	<u>23.64</u>



iii. Other Comprehensive Income (OCI)

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Net cumulative unrecognized actuarial gain/(loss) opening	(35.14)	16.35
Actuarial gain / (loss) for the year on DBO	-	-
Actuarial gain /(loss) for the year on Asset	-	-
Net Actuarial (Gain)/ Loss recognized in the year	35.14	(16.35)
<b>Unrecognized actuarial gain/(loss) at the end of the year</b>	<b>35.14</b>	<b>(16.35)</b>

iv. Balance Sheet and related analyses

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Present Value of Obligation at the end of the year	86.01	92.40
Fair Value of Plan Assets	-	-
Unfunded Liability/Provision in Balance Sheet	(86.01)	(92.40)
Unrecognised Actuarial (Gain) / Losses	-	-
<b>Unfunded Liability Recognised in the Balance Sheet</b>	<b>(86.01)</b>	<b>(92.40)</b>

v. Bifurcation of PBO at the end of year in current and non current.

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Current Liability (Amount due within one year)	(4.62)	(5.62)
Non Current Liability (Amount due over one year)	(81.39)	(86.78)
<b>Total</b>	<b>(86.01)</b>	<b>(92.40)</b>





**Note : 39 Tax Expense**

**a. Reconciliation of tax expense and the accounting profit/(loss) multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:**

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Profit / (Loss) before tax for the year	(6621.67)	(1458.82)
At India's statutory income tax rate of 34.9440% (Previous Year 34.9440%)	-	(509.77)
a) Income exempt from tax/items not deductible	(774.40)	-
b) Earlier year taxes	(42.53)	(422.23)
c) Others	(786.94)	(87.45)
At the effective income tax rate	(786.94)	(87.45)
Income tax expense reported in the statement of profit and loss	(786.94)	(87.45)

**b) Movement of deferred tax liability from beginning to end of financial year is as follows:**

Particulars	Year Ended 31.03.2020	Provided during the year	Year Ended 31.03.2019
Deferred tax liability:			
a) Related to Property Plant and Equipments (Including Addition due to Acquisition)	2548.38	(697.17)	1851.21
<b>Total deferred tax liability</b>	<b>2548.38</b>	<b>(697.17)</b>	<b>1851.21</b>
Deferred tax assets:			
a) Business Losses and unabsorbed depreciation for the year	85.53	36.30	121.83
b) Amounts deductible on payment basis	-	-	-
c) Others	-	-	-
<b>Total deferred tax Assets</b>	<b>85.53</b>	<b>36.30</b>	<b>121.83</b>
Mat Credit Entitlement	-	-	-
Deferred tax Assets/(Liability) (Net)	2462.85	733.47	(1,729.38)
Recognised in Profit or Loss as 'tax expenses'	(1299.29)	-	(1299.29)
Recognised in Other Comprehensive Income	28.78	-	-
<b>Total</b>	<b>(1270.51)</b>	<b>-</b>	<b>(1299.29)</b>



**Note : 40 Financial assets and liabilities**

The carrying value of financial instruments by categories as of March 31, 2020 is as follows:

(Rupees in Lakhs)				
Particulars	Fair Value Through Profit & Loss A/C	Fair value through other comprehensive income	Amortised cost	Total carrying value
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	469.98	469.98
Trade receivables	-	-	4,528.97	4,528.97
Other financial assets	-	-	765.74	765.74
<b>Total</b>	<b>-</b>	<b>-</b>	<b>5,764.69</b>	<b>5,764.69</b>
<b>Financial Liabilities</b>				
Trade payables	-	-	5,069.24	5,069.24
Borrowings	-	-	14,670.12	14,670.12
Other financial liabilities	-	-	5,775.34	5,775.34
<b>Total</b>	<b>-</b>	<b>-</b>	<b>25,514.70</b>	<b>25,514.70</b>

The carrying value of financial instruments by categories as of March 31, 2019 is as follows:

(Rupees in Lakhs)				
Particulars	Fair Value Through Profit & Loss A/C	Fair value through other comprehensive income	Amortised cost	Total carrying value
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	441.38	441.38
Trade receivables	-	-	5,967.98	5,967.98
Other financial assets	-	-	768.31	768.31
<b>Total</b>	<b>-</b>	<b>-</b>	<b>7,177.67</b>	<b>7,177.67</b>
<b>Financial Liabilities</b>				
Trade payables	-	-	5,796.31	5,796.31
Borrowings	-	-	14,718.15	14,718.15
Other financial liabilities	-	-	3,960.17	3,960.17
<b>Total</b>	<b>-</b>	<b>-</b>	<b>24,474.63</b>	<b>24,474.63</b>

**Fair value hierarchy**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The financial instruments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.



The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

As at March 31, 2020

(Rupees in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	469.98	469.98
Trade receivables	-	-	4,528.97	4,528.97
Other financial assets	-	-	765.74	765.74
<b>Financial Liabilities</b>				
Trade payables	-	-	5,069.24	5,069.24
Borrowings	-	-	14,670.12	14,670.12
Other financial liabilities	-	-	5,775.34	5,775.34

As at March 31, 2019

(Rupees in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	441.38	441.38
Trade receivables	-	-	5,967.98	5,967.98
Other financial assets	-	-	768.31	768.31
<b>Financial Liabilities</b>				
Trade payables	-	-	5,796.31	5,796.31
Borrowings	-	-	14,718.15	14,718.15
Other financial liabilities	-	-	3,960.17	3,960.17

#### Note : 41 Financial risk Management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include investment, loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. Considering on-going CIRP process, quantum of these risks are not ascertainable.

The company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:



**(A) Market Risk:**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/ receivables in foreign currencies.

**a) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the company is currently carrying its loans at aviable interest rates.

(Rupees in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Variable rate borrowings	19,122.60	17,461.97
Fixed rate borrowings	Nil	Nil

**Interest Rate Sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

**Notes to Financial Statements for the year ended 31st March, 2020**

Particulars	Effect On Profit Before Tax	
	As at 31.03.2020	As at 31.03.2019
Increase by 50 basis points	95.61	87.31
Decrease by 50 basis points	(95.61)	(87.31)

**b) Foreign currency risks**

Foreign risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure in foreign currency is in Trade payable and receivable denominated in foreign currency. The Company is not restricting its exposure of risk in change in exchange rates.

Natural Hedging – We are availing PCFC limit as a sub limit to our CC limits wherein on the basis of our export POs we get our INR loan converted into USD loan under the same overall credit limit. On the other hand we have USD receivable against our exports. Thus both these acts as a natural hedge wherein our dollar collection covers for our dollar loan repayment.

We try to keep our PCFC loan and Export receivable at even level in order to have full coverage.





**I) Particulars of unhedged foreign currency exposure as at reporting date (Rupees in Lakhs)**

Particulars	As at 31.03.2020		As at 31.03.2019	
	(Rs.)	(USD)	(Rs.)	(USD)
Trade Debtors	794.55	11.27	1,061.43	15.64
Trade Creditors	5.27	0.18	40.70	0.60
Amount covered by natural hedge (PCFC Loan)	200.07	2.81	2,221.13	32.13
<b>Unhedged Foreign Currency Exposure</b>	<b>599.75</b>	<b>8.64</b>	<b>(1,200.40)</b>	<b>(17.09)</b>

**Foreign currency sensitivity**

The following table demonstrate the sensitivity to a reasonably possible change in foreign currency exchange rates. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	Effect on Profit Before Tax	
	As at 31.03.2020	As at 31.03.2019
USD Sensitivity		
Decrease by 5%	29.99	(60.02)
Increase by 5%	(29.99)	60.02

**(B) Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including loans to related parties, deposits with banks and financial institutions and other financial instruments.

**Credit risk management**

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk on reporting date
- (ii) Moderate credit risk
- (iii) High credit risk

**Financial assets that expose the entity to credit risk: –**

Particulars	(Rupees in Lakhs)	
	31.03.2020	31.03.2019
<b>Low credit risk on reporting date</b>		
Cash and cash equivalents	469.98	441.38
Trade receivables	4,528.97	5,967.98
Investments	727.87	717.22
Loans(non-current)	706.80	691.04
Loans(current)	58.94	77.27
<b>Moderate credit risk</b>	<b>-</b>	<b>-</b>
<b>High credit risk</b>	<b>-</b>	<b>-</b>



#### Cash & Cash Equivalents and Bank Deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

#### Trade Receivables

The company closely monitors the credit-worthiness of debtors through internal system that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts.

#### Gross carrying amount of trade receivables:

(Rupees in Lakhs)

Particulars	31.03.2020	31.03.2019
Ageing		
Not due	1069.69	2,235.22
0-180 days	756.65	3,682.73
more than 180 days	2,702.63	50.03

#### c. Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. The Company had access to the following undrawn borrowing facilities at the end of the reporting periods.

#### Gross carrying amount of trade receivables:

(Rupees in Lakhs)

Particulars	31.03.2020	31.03.2019
Floating rate:		
(a) Expiring within one year		
Working Capital (Fund Based & Non Fund Based)	168.36	576.35
(b) Expiring beyond one year (Bank loans)		
Long Term Borrowing	-	-

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31st March, 2020

(Rupees in Lakhs)

Particulars	0 to 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total
Contractual maturities of Long Term borrowings	4,505.81	888.71	3198.18	-	8,592.70
Contractual maturities of Short Term borrowings	8,792.59	-	-	-	8,792.59
Contractual maturities of trade payables	4,025.41	-	-	-	4,025.41
Contractual maturities of other financial liabilities	38.55	-	-	-	38.55
Unpaid Dividend	7.81	-	-	-	7.81
<b>Total</b>	<b>17,370.16</b>	<b>888.71</b>	<b>3198.18</b>	<b>-</b>	<b>21,457.05</b>



As at 31st March, 2019

Particulars	(Rupees in Lakhs)				
	0 to 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total
Contractual maturities of Long Term borrowings	1,640.11	1,271.52	1,452.66	-	4,364.29
Contractual maturities of Short Term borrowings	9,550.38	-	-	-	9,550.38
Contractual maturities of trade payables	5,796.31	-	-	-	5,796.31
Contractual maturities of other financial liabilities	1,210.50	-	-	-	1,210.50
Unpaid Dividend	5.85	-	-	-	5.85
<b>Total</b>	<b>18203.15</b>	<b>1,271.52</b>	<b>1,452.66</b>	<b>-</b>	<b>20,927.33</b>

#### Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

Particulars	(Rupees in Lakhs)	
	As at 31.03.2020	As at 31.03.2019
Borrowings	17,385.29	13,914.67
Trade payables	8,792.59	5,796.31
Less: Cash and cash equivalents	469.98	441.38
Net debt	26,647.85	20,152.36
Equity	5,038.32	5,038.32
Capital and net debt	31,686.17	25,190.68
Gearing ratio	84.10%	80.00%

**Note : 42(a)** The previous year figures have been regrouped/reclassified, wherever considered necessary to the current year presentation

**Note : 42(b)** The COVID-19 pandemic outbreak across the nation and worldwide and Consequential nationwide lock down imposed since March 24, 2020, has caused a significant decline and volatility in the global as well as Indian Financial markets and slowdown in the economic activities. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees' The Company is sensitive about the impact of the Pandemic on its business operations, which will be realized only in the future financial results of the Company.

Significant Accounting Policies & Notes on Financial Statements 1 to 42

For and on Behalf of the Board

As per our report of even date attached

**For Raj Gupta & Company**  
Chartered Accountants  
ICAI Firm Regd No-000203N

(Abhishek Gupta)  
(Partner)  
M.No. 530433

Sanjay Tikku  
Director

Vivek Malik  
Director

Place : New Delhi  
Dated : 11th August, 2020

Sandeep Singh Surya  
Chief Financial Officer

Mona Bahadur  
Company Secretary